



The Food and Beverage Market Entry Handbook: Saudi Arabia

**A Practical Guide to the Market in Saudi Arabia
for European Agri-food Products**



*Promotion of
agricultural
products*



The Food and Beverage Market Entry Handbook

Saudi Arabia

Written by Agra CEAS Consulting

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Note: the term EU in this handbook refers to the EU-27 excluding the UK, unless otherwise specified. For product trade stats, data is presented in order of exporter size for reasons of readability.

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1 The Food and Beverage Market Entry Handbook: Saudi Arabia

This Handbook is intended to act as a reference for those agri-food producers planning for, or in the process of entering, the Saudi Arabian market. This Handbook provides **step-by-step guides** on entering the agri-food market in Saudi Arabia including relevant information such as **analysis of the Saudi Arabian market** for different product categories, **market access** and **market entry procedures**, **IP protection**, **referrals to professional buyers** and signposting and referral system providing useful contacts and ways to penetrate the Saudi Arabian market.

How to use this Handbook



Depending on your stage of market entry, company profile, and product range, different sections within this Handbook will be helpful to a different extent for your business strategies.

For those wishing to learn more about the Saudi Arabian food and beverage market in general, section 2 provides a general country overview; section 3 provides an overview of the agri-food market; and section 4 an overview on market entry. These latter two sections contain information on: the food and beverage market, market access procedures, customs procedures, SPS and labelling requirements, intellectual property protection, including the status of geographical indications. The information contained within these sections is of a general nature and so may not be relevant for those in the more advanced stages of market entry.

If you want to find out more information relevant for your product, then check out the **Market Snapshots for Selected Products** (section 5). This content illustrates the market situation, market access procedures, SPS requirements etc. specific for this product or product category. This information will provide more industry specific information to consider as part of any market entry or market expansion strategies.

If you already have decided that the Saudi Arabian market is where you want to be, but you need some support, then the **Support Services Directory** can point you in the right direction. Contact information for a service provider, business facilitation support organisation, or from a business contact, could help put you in touch with the right parties who can help you to build your brand in the Saudi Arabian market.

2 Country introduction and overview

 	
Capital:	Riyadh
Population:	38.4 million
Area:	2 500 000 Km ²
Political structure:	Unitary Islamic absolute monarchy
Major languages:	Arabic (Official language)
Major religions:	Islam (99%), State religion
Life expectancy:	74.3 years (Male 73.1 years, Female 76.1 years)
Currency:	Saudi Riyal (SAR); 1 EUR = 4 SAR (2022 average)
GDP growth (real):	8.7 % (2022)
Exports:	34.77% of GDP (2021)
Imports:	24.35% of GDP (2021)
Main exports*:	Mineral fuels including oil (75%), plastics (plastics 8.3%), organic chemicals (5%), fertilisers (1.3%)
Main imports*:	Machinery, mechanical appliances, and electrical equipment (27%), Transport equipment and parts thereof (16%), base metals (13%), chemicals and related products (9%)
Unemployment rate:	7.6% (January 2022)
Labour force:	60.8% (January 2022)
Main industries:	Agriculture: 2.6 % of GDP Industry: 44.2% of GDP Services: 53.2% of GDP
Average household income (2021):	EUR 44 500
Household expenditure on food and beverages (2021):	EUR 6 400
Food and beverage market size (2021):	EUR 53.3 billion

Sources: Euromonitor International: Economies and Consumers, 2022; IMF; UN, World Bank; WHO, OECD. * Goods only listed

2.1 Country overview: Saudi Arabia at a glance

2.1.1 Past economic and political trends

- *The state of Saudi Arabia constitutes four historical regions, those being the regions of Hadz, Najd and parts of eastern and southern Arabia. The country was founded in its current state in 1932.*
- *Saudi Arabia since its founding has operated as a monarchy and remains one of the few active absolute monarchies left in the world.*
- *Saudi Arabia is home to Mecca and Medina which are two of the holiest cities in the Islamic religion and attract millions of pilgrims every year as a spiritual focal point for the religion.*
- *The discovery of larger deposits of natural gas and oil in Saudi Arabia has transformed the economy from a rural and isolated country at the beginning of the 20th century to a high-income country with the largest economy in the Middle East today.*

The area which makes up today the modern state of Saudi Arabia formerly consisted of four major distinct historical regions, with these being the regions of Hadz, Najd and parts of eastern and southern Arabia. The kingdom of Saudi Arabia was founded in 1932 by king Abdelaziz who over time united the four regions. Ever since the founding of Saudi Arabia in its current form the country has been ruled as an absolute monarchy making it one of the few countries in the world with this system of government. In the country's de facto constitution, the country describes itself as an Arab Islamic republic with Islam being the state religion of the country and Arabic being the main language spoken. Saudi Arabia has been heavily impacted by the discovery of large deposits of oil within its borders, with the country having the world's second-largest oil reserves (behind Venezuela) and the world's fifth-largest natural gas reserves. The discovery of oil and gas in the country brought with it a large amount of foreign investment and also foreign workers which continue to migrate to the country to this day (they will be discussed further in this handbook as a key consumer group). Saudi Arabia has leveraged its natural resources to develop a high-income economy based on the service and natural resource extraction sectors. The country's economy is the largest in the Middle East and the country is the only Arab country to be a member of the G20 block of the world's leading economies. Saudi Arabia is also a founding member of OPEC (Organisation of Petroleum Exporting Countries) and part of OPEC+. Saudi Arabia is a leading member of various other international organisations such as the Arab League, the United Nations (also a founding member) and the Organisation of Islamic cooperation. On top of its large natural resource deposits, influence in numerous international organisations and its strategic position geographically, the country is home to the two holiest cities for the religion of Islam - Mecca and Medina - which attract millions of pilgrims every year as a spiritual focal point for the world's 1.97 billion Muslims. As of the end of 2022, Saudi Arabia was the world's 18th-largest economy.¹

¹ InfoPlease, The History of Saudi Arabia, available at <https://www.infoplease.com/countries/saudi-arabia/history>

2.1.2 Current economic situation and mid-term outlook

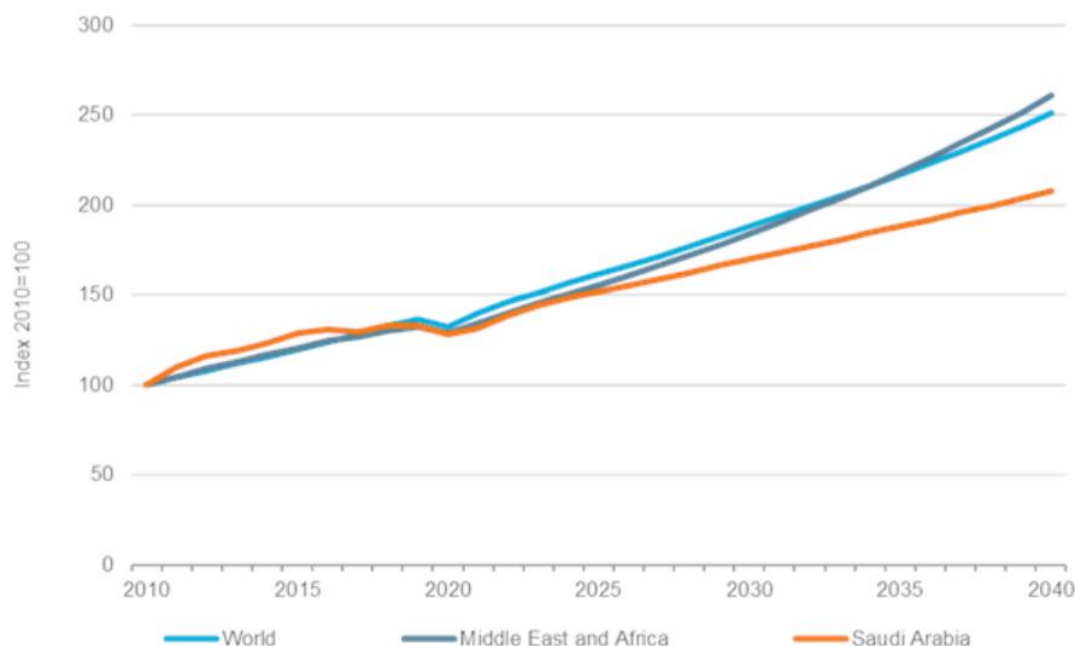
- *Saudi Arabia has enacted measures to diversify its economy away from fossil fuel dependency in a series of programs under the overarching initiative known as Saudi Vision 2030.*
- *Saudi Arabia is completing a series of new construction projects aiming to make the country a key hub of tourism, education and research. Such projects include the city of Neom, Qiddiya, the Diriyah gate project and the Red Sea Project and Amaala.*
- *Saudi Arabia is likely to remain the largest economy in the Middle Eastern region in the short term, which will see the country remain a key market of interest for EU exporters to the region.*
- *Saudi Arabia will remain heavily dependent on fossil fuel extraction and exportation in the short and medium term. Fossil fuel accounts for three-quarters of the country's total exports.*

Saudi Arabia's economy has traditionally been largely dominated by the exportation of oil. In 2016, the government announced the programme Saudi Vision 2030 which envisions a series of programs and investments aimed at diversifying the Saudi Arabian economy and reducing the country's dependency on oil and natural gas.² Notable projects under construction include Neom. Other large projects under construction include the King Salman energy park, Qiddiya, the Diriyah gate project and the Red Sea Project and AMAALA.³

As presented in Figure 2-1, real GDP growth and GDP per capita in Saudi Arabia are forecast to continue growing in the future which will see the country remain a key market for EU exporters to the Middle Eastern region. Currently, the GDP per capita stands at EUR 23 600 which is expected to grow to around EUR 29 000 by 2040. Saudi Arabia is categorised by the World Bank as a high-income economy.

² Vision 2030, Government of Saudi Arabia, available at <https://www.vision2030.gov.sa/>

³ Saudi Arabia's bid to shift from oil-fantasy or reality?, DW, available at <https://www.dw.com/en/skiing-in-saudi-arabia-fantasy-or-genuine-economic-change/a-62090850>

Figure 2-1: Real GDP growth and forecasted GDP growth in Saudi Arabia: 2010-2040

Note: Data for 2023-2040 is forecast.

Source: Euromonitor International: Economies and Consumers, 2022

2.1.3 Population trends

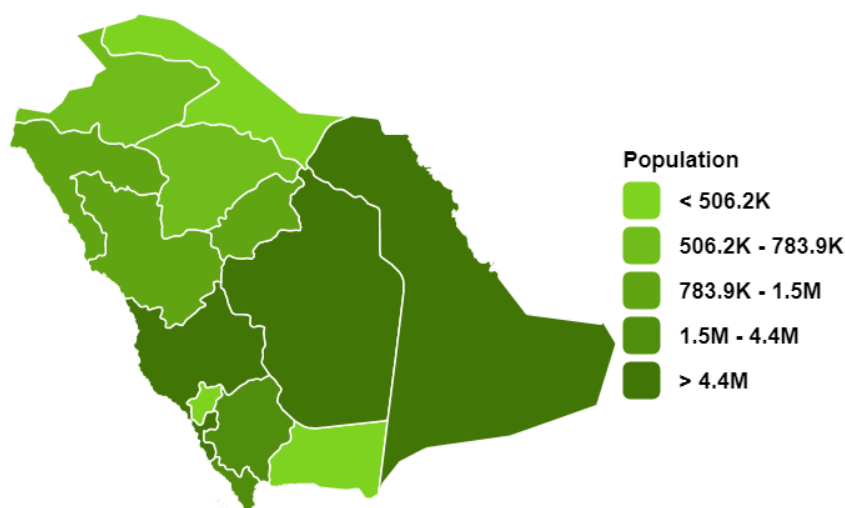
- *Saudi Arabia is the world's 41st most populous country and the fifth most populous in the Middle Eastern region after Egypt, Turkey, Iran and Iraq.*
- *Saudi Arabia's current fertility rate is at 2.2 live births per woman, which is significantly lower than the 4.0 live births per woman recorded in 2000. The population is expected to peak at around 45-47 million by 2050.*
- *Immigration has been a large factor in population growth in Saudi Arabia and today immigrants account for up to 39% of the total population of the country.*
- *Due largely to extreme climatic conditions in rural areas of the country, the Saudi population is heavily urbanised with 85% of the population living in an urban centre.*

Saudi Arabia is the world's 41st largest country by population and the fifth most populous country in the Middle Eastern region. The country historically had a very small and largely nomadic population before the discovery of large deposits of oil and gas which was a key factor in the country's population boom which started in the 1960s. Thousands of immigrants have arrived in Saudi Arabia in recent decades and today they constitute up to 39% of the country's population. The influx of skilled workers coupled with economic growth on the back of the country's oil and gas sector also led to the rapid growth of the country's urban centres which today host up to 85% of the population⁴. The ten largest cities in Saudi Arabia alone account for 80% of the country's

⁴ Saudi Arabia, World data, available at <https://www.worlddata.info/asia/saudi-arabia/index.php>

population. Most citizens in the country identify as ethnically Arab, coming from within Saudi Arabia itself and from neighbouring countries which have sent a large number of immigrants to Saudi Arabia.

Figure 2-2: States of Saudi Arabia by population



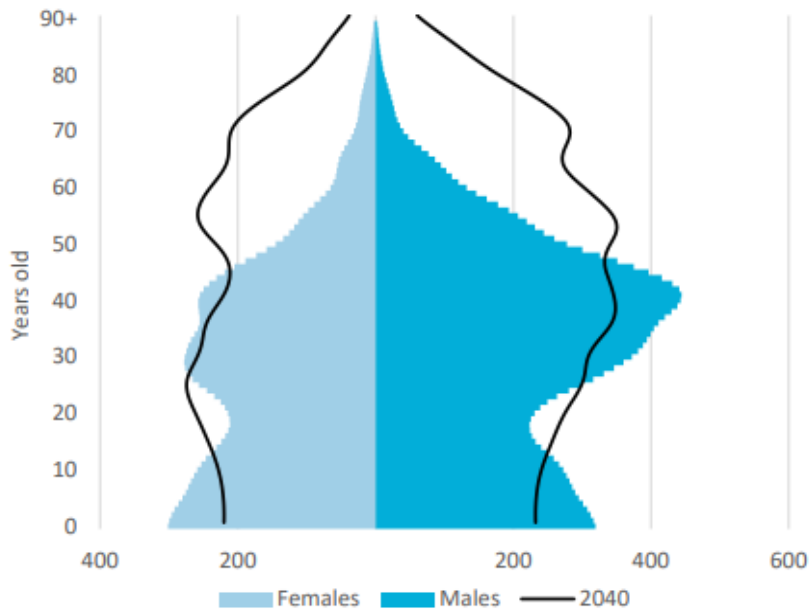
Source: Agra CEAS based on various

As can be observed in Figure 2-2, the population of Saudi Arabia is concentrated within the centre of the country with the northern and southern regions being largely sparsely populated. While the country comprises 13 states, the three states of Riyadh, Mecca and the eastern region (*Ash-Sharqiyah*) alone account for just over half the population of the country. As mentioned previously, virtually all of Saudi Arabia's population lives within an urban centre with groups living in rural areas (which often have harsh climatic conditions) being rather rare in the country. The country has a young population with 51% of the population being under the age of 25⁵ which is reflective of both a large number of migrants arriving in the country to work in various sectors and the high rate of birth in the country in past years; the fertility rate in the country was around 4 live births per woman in the year 2000 however this figure had declined to 2.2 by 2022, still above the 2.1 generally accepted rate of replacement. The decline in live births in the country is a common symptom of rising living standards and economic growth and has occurred in multiple countries.

As seen in Figure 2-3 there is a larger number of males in Saudi Arabia aged between 20-50 than females, this is reflective of the demand for manual labour in the country which is often undertaken by males within this age bracket – both Saudi nationals and migrants. The overall population is expected to peak around 2050 at about 45-47 million although this is largely a variable figure which may increase or decrease depending on demand for migrants in Saudi Arabia, and live birth rates which at present continue to decline.

⁵ Saudi Youth in Numbers, General Authority of Statistics of Saudi Arabia, available at <https://www.arabdevelopmentportal.com/publication/saudi-youth-numbers>.

Figure 2-3: Age pyramid in 2019 and 2040 in Saudi Arabia



Note: Data for 2040 is forecast

Source: Euromonitor International from national statistics/UN, 2020

2.2 Geography and key markets

The Kingdom of Saudi Arabia constitutes the majority of the Arabian Peninsula (the largest peninsula in the world), with a land area of around 2 150 000 square kilometres it is the fifth largest country in Asia, the second largest in the Arab world after Algeria and the largest country in the Middle East. The country is bordered by eight other countries with these being Jordan, Iraq and Kuwait to the north, Qatar, the UAE and the small island nation of Bahrain (which is connected by a bridge to Saudi Arabia) and finally to the south Saudi Arabia borders Oman and Yemen. Saudi Arabia is also within proximity to the countries of Iran, Egypt, Eritrea and Sudan with only a small strait of sea water separating these countries from Saudi Arabia⁶. Saudi Arabia is the only country with a coastline along both the Red sea and the Persian Gulf making it a key facilitator of international traffic movement. Saudi Arabia has around 1 300 small islands or islets scattered along its coastline. Saudi Arabia is primarily categorised by the Arabian desert, the world's 5th largest desert which makes up around 90% of the total land area of Saudi Arabia. The western coast of the country is largely made up of the Hijaz Mountains with the southwestern region of the Hijaz mountains, the Tihamah being the most fertile region of the country, this is the region of Saudi Arabia that accounts for the majority of the country's agricultural output and will be explained in more detail in section 2.3. Some final notes regarding Saudi Arabia's geography include the country being the largest in the world without permanent rivers. Some smaller waterways may appear during the rainier winter months but evaporate quite quickly. There are several oases to be found in the desert which are supporting some smaller settlements, however as stated previously, the ten largest urban centres of the country account for over 80% of the population. The flatter eastern regions of the country are home to Saudi Arabia's vast deposits of oil and gas and form the economic core of the country.

2.2.1 Overview of urban markets

Saudi Arabia is divided into 13 regions which are further divided into 136 governorates which also include the 13 regional capital administrations as shown in Table 2-1. The emirates form the first-level administrative division of the Organization of the Kingdom of Saudi Arabia shown below in Figure 2-4 and are further divided into 136 governorates, which are the second-level division, which is further subdivided into 1 347 municipal-level units.

⁶ Political Map of Saudi Arabia, Nations Online, available at <https://www.nationsonline.org/oneworld/map/saudi-arabia-map.htm#:~:text=Border%20countries%20are%20Iraq%2C%20Jordan,Bahrain%20in%20the%20Persian%20Gulf.>

Figure 2-4: Geographical divisions of Saudi Arabia

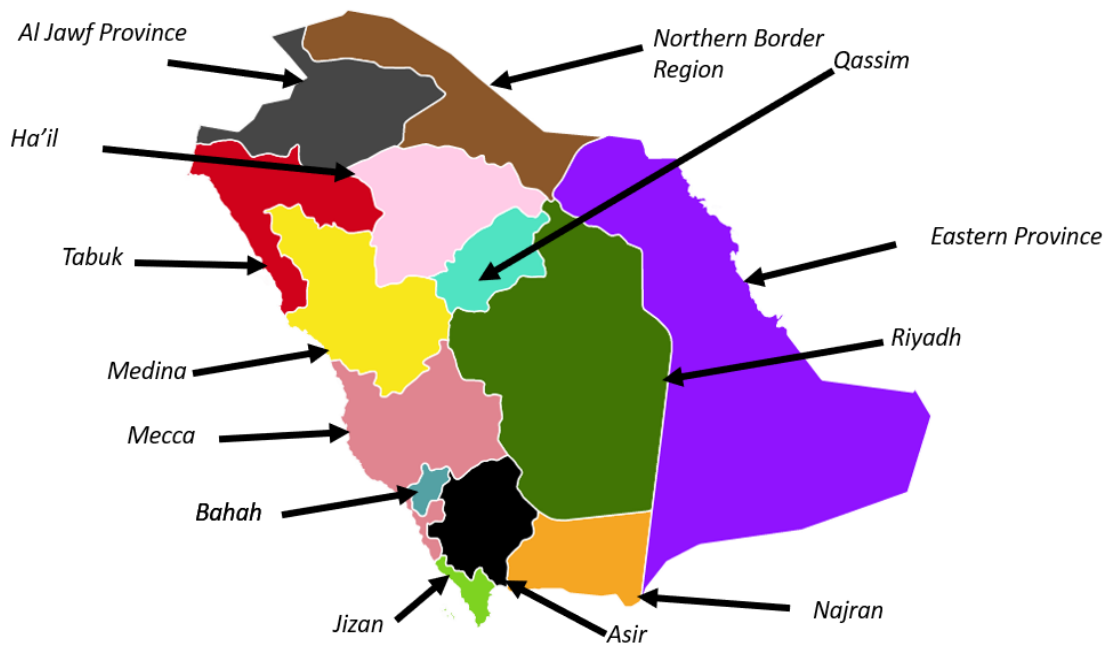
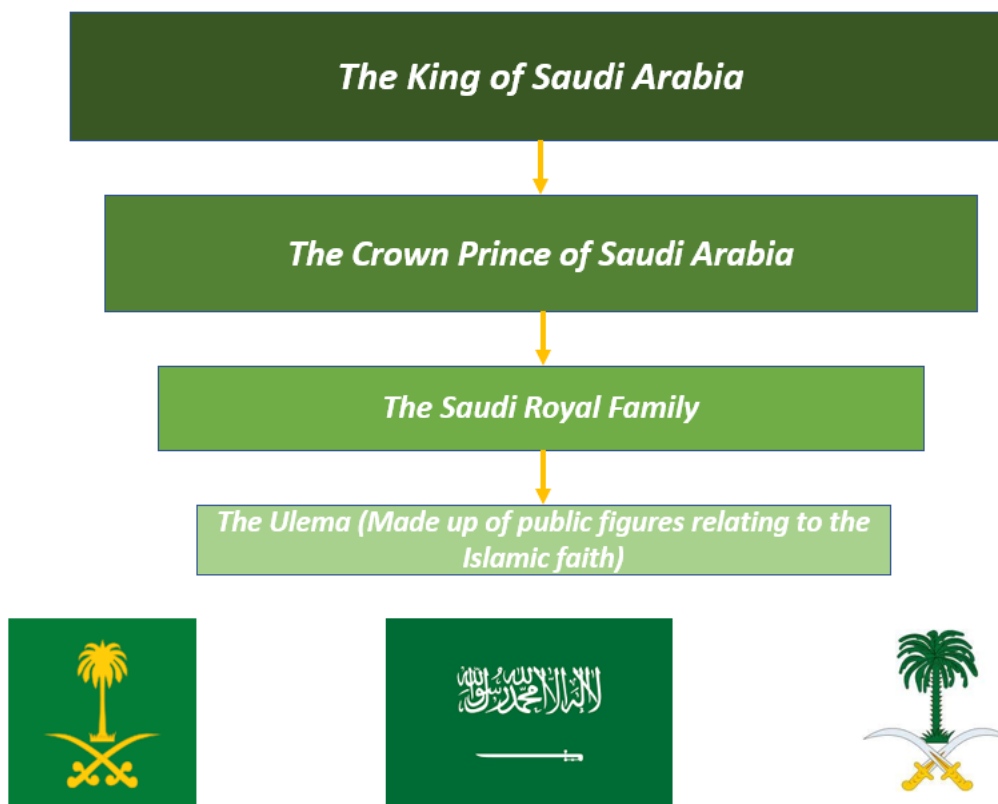


Table 2-1: Administrative regions of Saudi Arabia

Regions	Capital/Administrative centre
Al-Jawf	Sakakah
Tabuk	Tabuk
Northern Borders Province	Arar
Ha'il	Ha'il
Medina	Medina
Qassim	Buraidah
Mecca	Mecca
Riyadh	Riyadh
Bahah	Bahah
Asir	Abha
Jizan	Jizan
Najran	Najran
Eastern Province	Dammam

Source: Agra CEAS based on various

The political structure of Saudi Arabia is defined as a monarchy which is influenced by the teachings of Islam. The King is the head of state and government, and decisions made within Saudi Arabia are generally made based on consultation with the council of ministers (made up of 23 ministers of various offices with the Crown Prince / Prime Minister as its chair and the King as its leader), the Saudi Royal family collectively and high-ranking members of Saudi society (mainly related to activities involving the Islamic faith). Figure 2-5 below provides an overview of the Saudi political system.

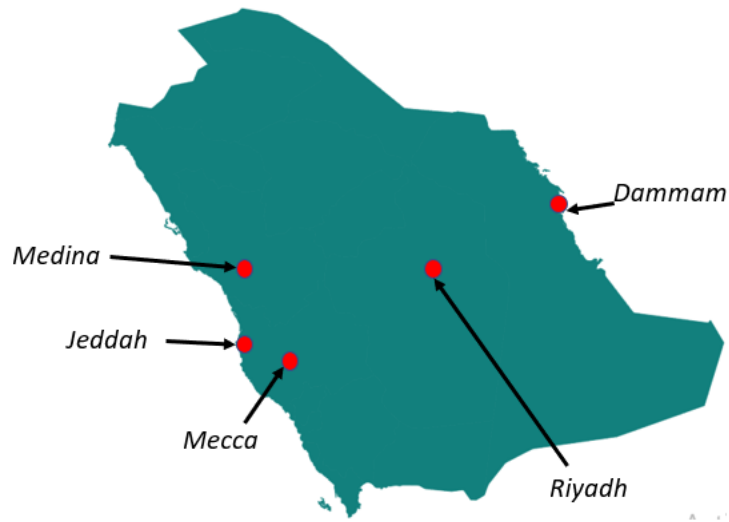
Figure 2-5: Overview of the political structure of Saudi Arabia

Source: Agra CEAS based on various

2.2.2 Snapshots of important markets

Saudi Arabia is home to four cities with a population above 1 million, these include Riyadh, Medina, Mecca and Jeddah which are the largest urban areas of interest for EU food and beverage exporters. Medina and Mecca particularly are key markets considering a large amount of tourism (in the form of Islamic pilgrims) who arrive at these cities each year from across the world including from EU member states, with the countries of France, Germany and Sweden, in particular, being home to a significant Islamic community. Riyadh and Jeddah are both key hubs of economic activity not only in Saudi Arabia but also within the wider middle eastern region, attracting thousands of skilled workers from across the world. The final city highlighted as a key market for EU food and beverage products is the city of Dammam which is the administrative hub of the Saudi oil and gas sector (Figure 2-6).

Figure 2-6: Location of focus markets



Source: Agra CEAS

Riyadh



Key facts:

Total GDP (2021):

EUR 101 billion

Population:

7.3 million (Metro)

Riyadh is the economic and administrative capital of Saudi Arabia combined with a population of 7.3 million it is also the most populous city in the country and the third most populous city located in the Middle East. The political institutions of Saudi Arabia such as the Council of Ministers, the King and the Supreme Judicial Council are all located in Riyadh and the city's central location within Saudi Arabia makes it a key centre of political power projection in Saudi Arabia.

The city's population has exploded in recent decades from a population of 500 000 in 1970 to 7.3 million in 2022. This spike in population growth can be attributed to several factors including large inward migration to the city from rural areas of Saudi Arabia, a high birth rate and immigration from abroad. Today, roughly a third of the population of Riyadh is of a non-Saudi background with Indians being the largest minority population at 13% followed by Pakistanis which account for 12.4% of the population.

Riyadh has grown through a mass transformation in recent decades as efforts have been made by the Saudi government to modernise and expand its capital city. The city is now one of the key commercial hubs of the country with the King Abdullah financial district being one of the largest hubs of commerce in both Saudi Arabia and the wider Middle Eastern region.

Concerning food and beverages from the EU, many westerners tend to live within compounds in the city which offer many amenities such as shopping malls and restaurants. International retailers of EU origin such as carrefour (French) are located in Riyadh and particularly within these compounds in the city and offer food and beverages (non-alcoholic) of EU origin.

Sources: Living in Riyadh: an expat guide, The good school's guide, available at <https://www.goodschoolsguide.co.uk/international/saudi-arabia/riyadh/expat-guide>, Lonely planet, Riyadh, available at <https://www.lonelyplanet.com/saudi-arabia/riyadh>, Exploring Riyadh, Visit Saudi, available at <https://www.visitsaudi.com/en/see-do/destinations/riyadh>

Mecca



Key facts:

<i>Total GDP (2021):</i>	<i>EUR 9.3 billion</i>
<i>Population:</i>	<i>2 million (Metro)</i>

The city of Mecca is the administrative capital of the Mecca province of Saudi Arabia and is recognised as the holiest city in the Islamic religion. The population stands at around 2 million making it also one of the most populous cities in Saudi Arabia. Mecca is revered in the Islamic religion as the birthplace of the Islamic prophet Mohammed and is home to many of the most important places of worship for Muslims.

According to the Islamic faith, all Muslims who are able financially and health-wise should travel to Mecca for the Hajj pilgrimage. Considering that the global population of Muslims currently stands at around 1.9 billion it is easy to understand why around 2.5 million pilgrims visit Mecca every year making the city one of the most visited cities in Saudi Arabia.

Most of the economy of Mecca revolves around the influx of pilgrims who arrive annually in the city with the city playing a far smaller role in the total Saudi Arabia economy which is heavily based on oil and gas extraction. Indeed, many aspects of the city such as its culture, workforce, infrastructure and service sectors are focused on or are heavily influenced by the Hajj pilgrimage.

The key consumer group for EU food and beverages in this city include wealthier or middle-class Muslims of both a Saudi or foreign background with familiarity with EU food and beverages before arriving in Mecca for the pilgrimage and also Muslims from EU member states. Certain non-EU member states such as Albania and Bosnia-Herzegovina have a majority Islamic population and also consumers generally have a familiarity with some of the larger food and beverage brands from the EU due to the proximity of these countries to EU member states. On average it is estimated that 35 000 French pilgrims visit Mecca every year, followed by 4 000 from Sweden and 1 500 from Bulgaria which are examples of large numbers of pilgrims from the EU arriving at Mecca every year.

Sources: The Makkah region of Saudi Arabia, Visit Saudi, available at <https://www.visitsaudi.com/en/see-do/destinations/makkah>, Mecca, Mecca.net, available at <https://mecca.net/> Mecca, Britannica, available at <https://www.britannica.com/place/Mecca>

Medina



Key facts:

Total GDP (current prices):

EUR 5.4 billion

Population:

1.4 million (Metro)

The city of Medina is considered the second holiest city in the Islamic religion (behind the city of Mecca which is outlined above) and is the fourth most populous city in Saudi Arabia with a population of 1.4 million. Medina, like Mecca, attracts a large number of Islamic pilgrims annually from both Saudi Arabia and across the world. Pilgrims arriving in Medina form a key component of the local economy, however, Medina is also home to several industrial parks and commercial hubs allowing for a more diverse local economy. Medina is also home to several museums and art centres which has raised the city's status to become one of the key cultural hubs of Saudi Arabia.

The city is home to Prince Mohammed bin Abdelaziz airport which is the fourth busiest airport by passenger traffic in Saudi Arabia. The city has also been recently linked to a wider rail network connecting the city to Jeddah and Mecca.

As mentioned in the overview of Mecca above, there are a large number of pilgrims who arrive at the holy cities of Mecca and Medina annually which includes pilgrims from EU member states. France, Sweden and Bulgaria in particular have a large number of Islamic adherents as a percentage of their population with pilgrims amongst this group forming a key consumer group to target for EU food and beverage producers. Wealthier and middle-class pilgrims are also more likely to be aware of EU food and beverage brands and products and more likely to seek them out during their pilgrimage which often includes visiting the city of Medina.

Sources: Medina overview, Britannica, available at <https://www.britannica.com/place/Medina-Saudi-Arabia>, The Medina region of Saudi Arabia, Visit Saudi, available at <https://www.visitsaudi.com/en/see-do/destinations/medina#:~:text=Medina%20is%20one%20of%20Islam's,also%20where%20he%20is%20buried>.

Jeddah



Key facts:

Total GDP (current prices):

EUR 43 billion

Population:

4.6 million (Metro)

The city of Jeddah is the second most populous in Saudi Arabia with a population of 4.6 million. Jeddah is also the largest city in the Makkah province. While Jeddah is often referred to as the gateway to Mecca due to the city being generally one of the first locations pilgrims arrive in Saudi Arabia when travelling to Mecca, the city itself is a key commercial hub in Saudi Arabia.

Jeddah is home to one of the largest ports in Saudi Arabia and is a key hub of trade within the North African and Middle Eastern region. One of the key areas of business activity in both Jeddah and Saudi Arabia is King Abdullah Street which is famous for hosting a large number of corporate offices and foreign investment projects.

Key consumer groups for EU food and beverage products in Jeddah include: middle-class and wealthier Saudis working in the city's various economic sectors; immigrants from EU member states which are increasingly drawn to Jeddah as the economy of the city and region continues to expand; and finally, pilgrims which often stop at Jeddah on route to the cities of Medina and Mecca.

The city of Jeddah is often known as one of the more "liberal" cities in Saudi Arabia which helps to attract a large number of tourists from both within Saudi Arabia and abroad. Although strict social rules still apply, as outlined further in section 7.2, they generally are not as heavily enforced in Jeddah compared to other cities in the country.

Sources: About Jeddah city, Jeddah.gov, available at <https://www.jeddah.gov.sa/english/jeddahcity/about/index.php>, Explore Jeddah, Visit Saudi, available at <https://www.visitsaudi.com/en/see-do/destinations/jeddah>, Jeddah overview, Destination Jeddah, available at <https://destinationksa.com/jeddah-overview/>

Dammam



Key facts:

Total GDP (current prices):

EUR 24.5 billion

Population:

1.2 million (Urban)

The city of Dammam is the fifth most populous city in Saudi Arabia and is the largest city located in the Eastern province of the country. Dammam is best known for being the administrative centre of the Saudi oil and gas sector making it a key economic hub in the country. The city is also one of the fastest-growing cities in both Saudi Arabia and the wider Arab world both by population and economic growth.

Dammam is served by the King Fahd international airport which statistically is the largest airport in the world by land area covering a total of 785 km². The city is also home to the port of King Abdul Aziz which is the largest port located on the Persian Gulf and a key transit hub of goods moving from Saudi Arabia through the strait of Hormuz into wider global markets.

Dammam as mentioned has been one of the fastest growing cities in both Saudi Arabia and the wider Arab world by population growing from a population of 20 000 in 1950 to 1.2 million in 2022 with a high birth rate, inward migration from rural regions of the Eastern province and the influx of skilled and manual labour working in the cities oil and gas sector account for the explosion in population in recent decades.

Key consumer groups for EU food and beverages in the city include the influx of workers arriving temporarily or permanently into the city to work within the large oil and gas sector; and the small amount of tourism from the EU from visitors seeking to visit the wider deserts of the Eastern province of Saudi Arabia.

Sources: Saudi's eastern province, Visit Saudi, available at <https://www.visitsaudi.com/en/see-do/destinations/dammam>, Dammam, Britannica, available at <https://www.britannica.com/place/Dammam>

2.3 Domestic agricultural production and regions

Agriculture is a very small component of Saudi Arabia's economy and total production is heavily influenced by the country's desert climate which lacks any large bodies of water or rivers. The majority of agricultural production in Saudi Arabia is located along the Tihamah coastal region which is the most fertile region both in Saudi Arabia and within the wider Arabian Peninsula. Saudi Arabia has been investing heavily in the modernisation of its agricultural sector by focusing on projects concerning irrigation and terraforming previously deserted regions into greener regions more suitable for agriculture by utilising underground water aquifers. Saudi Arabia also purchases land in other nations such as Thailand, Sudan and the US to produce agricultural products which are then exported back to Saudi Arabia. Overall, Saudi Arabia is largely self-sufficient in the production of eggs, cucumbers and dates and has a large production base of tomatoes, onions, poultry meat and dairy products⁷. A breakdown of agricultural production by state in Saudi Arabia is provided below.

Al-Jawf province

The Al-Jawf province is one of the more fertile provinces located in Saudi Arabia with the town of Tabarjal being known as one of the breadbaskets of Saudi Arabia. Notable products produced in this region of the country include palm trees and olive trees with this region being one of the largest producing regions of olives and dates within Saudi Arabia with the largest olive farm in the world being located in this province. The region is also a large producer of wheat, honey and the alfalfa plant.

Northern Border Province

This province is the least populous province in Saudi Arabia and is home to some of the more extreme climatic conditions in the country. Agricultural activity in the region is limited in terms of both areas of cultivated land and productivity. This is due to the unsuitability of most of the topsoil in the Northern Border Region for agriculture. Total production is focused on livestock animals such as camels and goats however when compared to the rest of Saudi Arabia, total production is very small.

Tabuk Province

Tabuk is one of the larger provinces by agricultural production with the province being known for the production of fig trees, grapes and a small number of other fruits. The government of Saudi Arabia has highlighted Tabuk as a key region of internal investment for the expansion of agriculture due to the increase in projects being developed in Tabuk such as the city of Neom.

Ha'il province

The Ha'il province is known for the production of wheat, grain, dates and fruits such as grapes. The province has a lower population than most other provinces within Saudi Arabia with the majority of agricultural production is focused on the capital city of the province which also is called Ha'il.

⁷ Saudi unveils high levels of food self-sufficiency, Economy Middle East, available at <https://economymiddleeast.com/news/saudi-unveils-high-levels-of-food-self-sufficiency/#:~:text=Saudi%20Arabia%20achieved%20self%2Dsufficiency,4.51%20million%20tons%20in%202020.>

Al-Qassim province

Al-Qassim is best known for being one of the largest dates producing regions of not only Saudi Arabia but also the wider Middle East. Dates from the Al-Qassim region are well-known and sought out by consumers across the Middle East and are associated as a luxury products. The region of Al-Qassim is also known for the production of grapes, lemons, grapefruit, mandarins and vegetables.

Medina province

The Medina province allocates around 3.5% of its land area towards agricultural production which includes the production of poultry, camels and sheep-based products. The province is also well known for the production of honey, certain fruits and certain vegetables.

Al-Baha province

Al-Baha province is the smallest province within Saudi Arabia by land area. The province is best known for its production of honey, dates, olives and pomegranates with the province being the largest producer of honey in Saudi Arabia.

Jizan province

Jizan is largely made up of the Tihamah coastal plain which is the most fertile region in Saudi Arabia, as a result, Jizan is a key centre of agricultural production in Saudi Arabia. Jizan is known primarily for the production of barley, wheat, apples, bananas, grapes, mangoes, plums and citrus fruits.

Asir province

The province of Asir located in the south of Saudi Arabia is known for the production of coffee, wheat, alfalfa, barley and senna. The western region of the province is the key area of production as the Tihamah coastal plain accounts for the western region of Asir. The rest of Asir is more made up of desert which hampers agricultural production across the province.

Mecca province

The Mecca province is made up mostly of desert areas which limit mass agricultural production across the province. As a result, a large amount of agricultural production in the province is focused on the province's wadis and oasis which compliments the production of dates and barley. Several fruit and vegetables are also produced in the region.

Najran province

Najran is located in the south of Saudi Arabia straddling the Yemeni border. The province is one of the least populated provinces in Saudi Arabia and coupled with being largely made up of arid desert with almost all of the population living within the Najran city urban areas means large-scale agricultural development across the province is limited.

Riyadh province

The province of Riyadh is the second most populous and second largest province by land area. Around half of the province is made up of arid desert. Agricultural production is focused mainly on the city of Riyadh and in regions located to the south of the province. Livestock farming is common within the city of Riyadh with camels, sheep and goats being commonly bred and consumed in the city. The south of Riyadh province is better known for the production of dates, grapes and wheat.

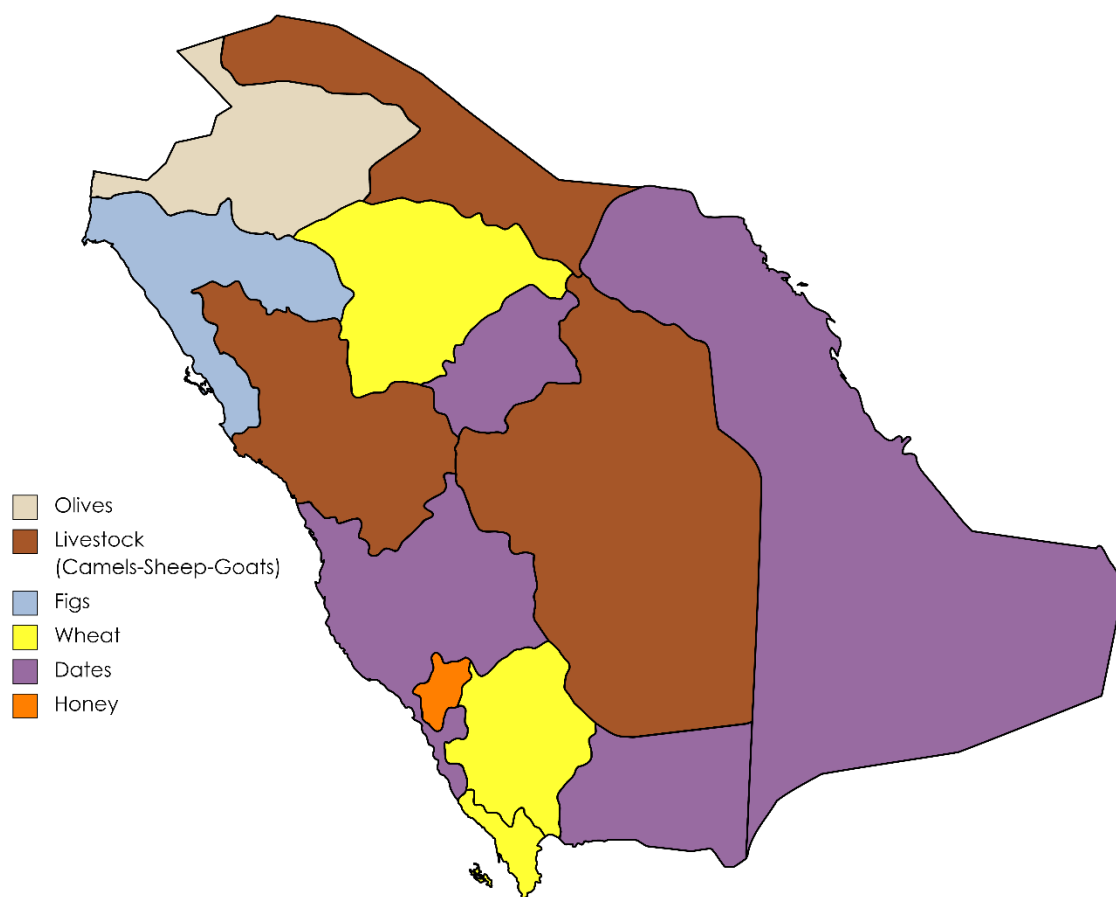
Eastern Province

The Eastern province is the largest province in Saudi Arabia and is the country's key hub of oil and gas extraction, as such, the extraction of oil and gas dominates the local economy with agricultural being of less importance for revenue. Dates are the most produced agricultural product within the Eastern province, followed by wheat, certain fruits and olives.

Saudi Arabian Agricultural production outside of the country

Due to the desert climate of the country coupled with increased demand for food and beverages due to population growth, the Saudi government has been increasingly purchasing land outside of the country to produce food and beverage products for the domestic market. Notable examples of this include lands in Argentina, the US and African countries such as Sudan and Tanzania.

Figure 2-7: Commonly produced agricultural products within the provinces of Saudi Arabia



Source: Agra CEAS based on various sources.

3 Introduction to the food and beverage market and consumers

3.1 Overview of the food and beverage market and demand for imported products

3.1.1 F&B market summary

As noted in section 2.1, agriculture in Saudi Arabia is currently a minuscule component of the total economy of the country with the sector accounting for just 2.3% of the GDP. Only around 3.1% of the total land area of Saudi Arabia can be classified as arable with the majority of this being located along the Tihamah coastal plain in the west of the country. The larger agricultural products produced in Saudi Arabia include dates, poultry, eggs, cucumbers and certain fruit and vegetables. There is, however, considerable interest in boosting agricultural production in the country (most notably through encouraging consumption of domestic products) with the ultimate aim of ensuring food security. This is most noticeable through the rapid increases in production of certain sectors such as dairy in recent years.

The Saudi Arabian food processing sector is quite large with investment in the sector reaching EUR 55 billion in 2021, a record high. The main products produced include snack foods, dairy products, processed fruit and vegetables and processed meats. As domestic production of agricultural products is focused mainly on dates and other products more suited to the desert climate of the country, Saudi Arabia has to import a significant amount of ingredients for the food processing sector of the country. Some of the larger food processing companies in Saudi Arabia include Mars Inc, Mondelez, PepsiCo and Unilever.⁸

3.1.2 International trade in F&B

Saudi Arabia is not a large exporter of food and beverages due to the country consisting of a desert climate with a growing population which leads to increasing demand for food and beverages when the country is already not self-sufficient. Saudi Arabia imports roughly EUR 18.4 billion worth of food and agricultural products annually⁹. Saudi Arabia ranks as the world's 41st country in the global food security index¹⁰ with the country being particularly self-sufficient in the production of beans (116%), dates (111%), figs (104%) cucumber (99%), watermelons (98%), potatoes (88%) and tomatoes (73%)¹¹. The country is also expanding its fresh meat production sector expecting to reach up to 85% self-sufficiency for poultry by 2030. Despite this, Saudi Arabia

⁸ Food processing ingredients, USDA Gains Report – Saudi Arabia, available at https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Food%20Processing%20Ingredients_Riyadh_Saudi%20Arabia_03-30-2019

⁹ USDA Gains Report – Exporter Guide for Saudi Arabia, Available at https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Exporter%20Guide_Riyadh_Saudi%20Arabia_SA2022-0017.pdf

¹⁰ Global food security index, Economist Impact, Available at <https://impact.economist.com/sustainability/project/food-security-index>

¹¹ How self-sufficient is Saudi Arabia when it comes to food?, Al-Arabiya News, Available at <https://english.alarabiya.net/features/2021/08/15/How-self-sufficient-is-Saudi-Arabia-Environment-ministry-weighs-in>

is still reliant on imports to match up to 75% of its food consumption needs.¹² Saudi Arabian exports of food and beverage reached a value of around EUR 1.2 billion in 2021 with other Middle Eastern nations and the US being the main importers of Saudi Arabian food and beverage products.

The EU has a large positive trade balance with Saudi Arabia, due to the EU being a large exporter of chocolate, pasta, wheat and infant foods while Saudi Arabia exports a minimal amount of food and beverages to the EU (Figure 3-1).

Figure 3-1: Structure of EU-27 (i.e. exc. the UK) agri-food trade with Saudi Arabia, 2011 to 2021

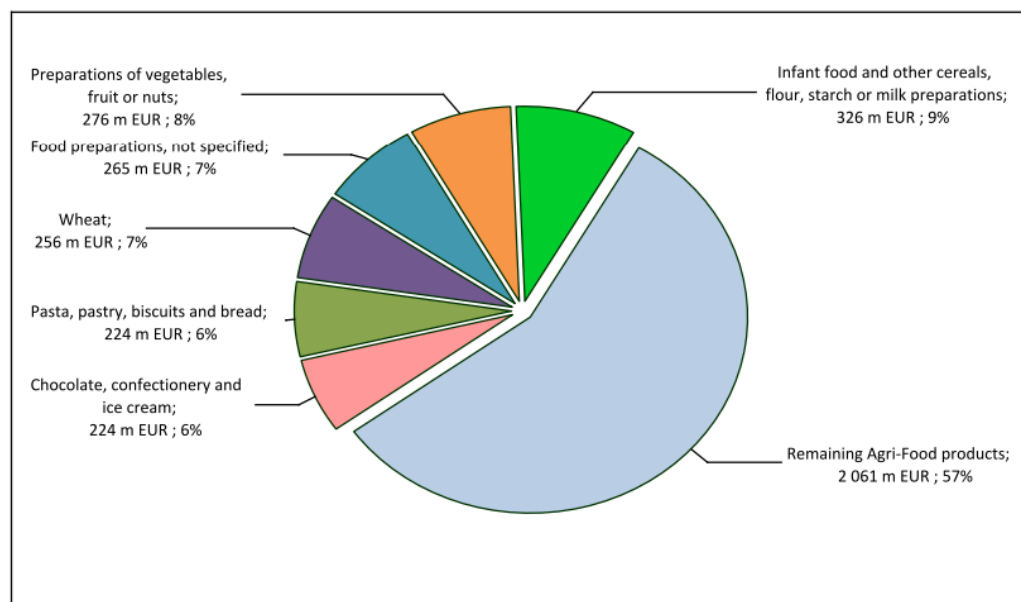


Source: European Commission: agri-food trade statistical factsheet, European Union – Saudi Arabia. Based on Eurostat-COMEXT data.

The major products exported from the EU to Saudi Arabia in 2021, in terms of value, were (Figure 3-2):

- Infant food, at EUR 326 million, accounting for 9 % of total agri-food exports from the EU to Saudi Arabia.
- Vegetable, fruit and nut preparations, at EUR 276 million, account for 7.6% of total agri-food exports.
- Food preparations, at EUR 265 million, account for 7.3% of total agri-food exports.

¹² USDA Gains Report- Food and Agricultural import regulations and standards report, Available at <https://apps.fas.usda.gov/newgainapi/api/Report/>

Figure 3-2: Top EU-27 agri-food exports to Saudi Arabia in 2021

Source: European Commission: agri-food trade statistical factsheet, European Union – Saudi Arabia. Based on Eurostat-COMEXT data

Major ongoing trade barriers that continue to impact EU exports of agri-food products to Saudi Arabia include:

- Countrywide ban on the imports of live animals due to OIE notification of disease outbreaks:** Saudi Arabia imposes temporary country-wide bans on imports of live animals whenever the country is notified about an animal disease outbreak. Therefore, it is argued that Saudi Arabia does not follow the international standards of the World Organisation for Animal Health (OIE) which state that trade can continue to take place under certain conditions (such as regionalisation measures) without the need to ban the whole country.
- Non-transparent import conditions for the imports of agri-food:** Saudi Arabia is a member of the Gulf Co-operation Council (GCC) which, through the Gulf Standards Organisation (GSO) implements technical standards in the area of SPS with a view to harmonising SPS measures amongst members of the GCC. These GSO SPS measures required by Saudi Arabia are copyrighted and have to be purchased, meaning that certain SPS measures required to export to the Saudi market are not available openly and transparently which acts as an additional barrier to entry into the market.¹³
- Trade restrictions due to non-recognition of the EU's regionalisation measures for Avian influenza outbreaks:** A country-wide ban is implemented by Saudi Arabia on any EU member state upon notification of an outbreak of a highly Pathogenic Avian Influenza (HPAI) in birds, despite strict EU measures relating to controlling an outbreak.

A list of further examples which constrain EU exports for EU agri-food producers is provided in section 4.3, including the background to and rationale behind these barriers to trade.

¹³ Access2market- DG Trade of the EU Commission, Trade Barriers – Saudi Arabia, Available at [J Access2Markets \(europa.eu\)](https://access2markets.europa.eu)

3.1.3 The market for imported F&B

Saudi Arabia continues to be impacted by food production deficits as a result of its largely desert climate and growing concerns regarding water shortages. The country is the largest importer of food and beverages in the Middle East making the country particularly vulnerable to any interruptions in the international food and beverage supply chain often leading to price hikes for particular products such as sunflower oil and sugar. International oil prices also play a large role in the capacity of Saudi Arabia to afford to import a large amount of various food and beverage products.

Demand for premium high-quality products continues to grow in Saudi Arabia and while the country does have a large domestic production base for certain products such as dates, watermelon and milk, domestic products are often perceived as economy products with imported food and beverages from the EU, The US and other gulf states being perceived as more luxury products. This is particularly true in the market for cheese, chocolate, infant food, and certain fruit and vegetables such as apples, oranges and grapes.

Due to these aforementioned factors, Saudi Arabia has had to reach out to trade partners such as the EU to ensure continued domestic food security and to cater to the rising demand for luxury products. Saudi Arabia in 2021 ranked as the tenth largest export market for EU food and beverage producers, accounting for 1.8% of total EU food and beverage exports to a value of EUR 3.6 billion. Notable products of note which are exported from the EU to Saudi Arabia include:

Infant food: Infant food is the single largest Agri-food product exported from the EU to Saudi Arabia with a value of EUR 326 million, which accounts for 9% of all EU Agri-food exports to the country. Imports of infant food into Saudi Arabia are largely made up of EU member states with Ireland, France and Spain being the larger exporters of infant food to the country. Saudi Arabians place a lot of trust in EU infant formula products and associate them with safe products for their infants to consume.

Preparations of vegetables, fruits or nuts: Total exports of these products came to a value of EUR 276 million in 2021 which accounts for 7.6% of all Agri-food exports from the EU to Saudi Arabia. Saudi Arabia cannot produce certain varieties of prepared vegetables, fruits and nuts on a mass scale to meet domestic demand resulting in the need to import these products from abroad. The three biggest exporters of these products collectively are all EU member states with these being the countries of Netherlands, Belgium and Spain.¹⁴

Pasta, pastry, biscuits and bread: These food products are a large export from the EU to Saudi Arabia with the EU exporting a total of EUR 224 million worth of these products to Saudi Arabia in 2021. The EUR 224 million figure represents 6.2% of all EU Agri-food exports to Saudi Arabia. Exports have been growing quickly in recent years from a figure of EUR 157 million in 2017 to the aforementioned figure of EUR 224 million in 2021. The larger exporters of these products from the EU include Italy, Belgium and Poland.¹⁵

¹⁴ Based on trade data under HS Code 20 (*Preparations of vegetables, fruit, nuts or other parts of plants*)

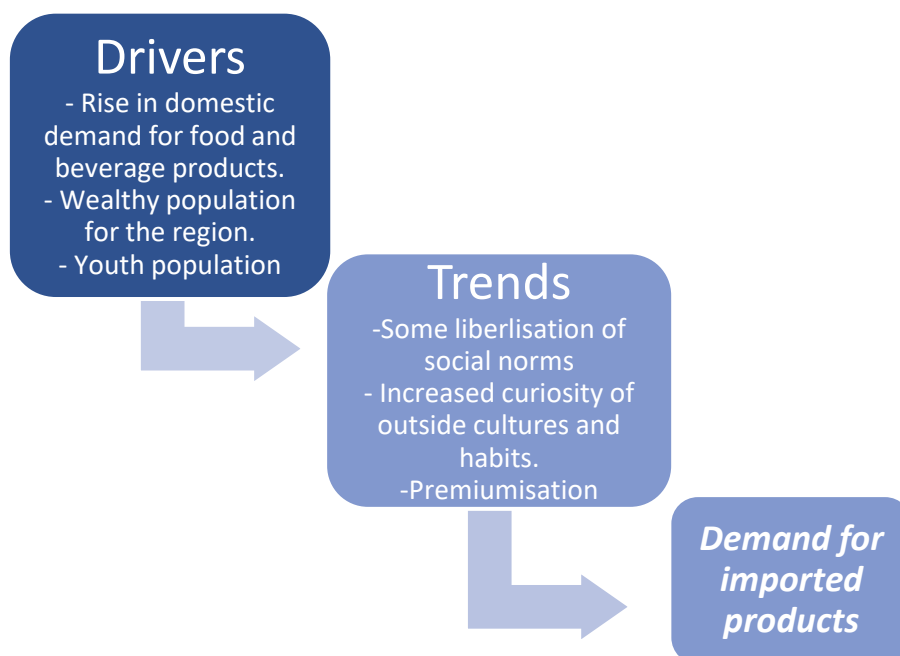
¹⁵ Based on trade data under HS Code 1901 (*Pasta*), HS Code 1905 (*Biscuits, bread, pastry and cakes*)

3.2 Growth Drivers and Trends

The key factors affecting the presence of EU food and beverages in the Saudi Arabian market are:

- **Rise in domestic demand coupled with shortfalls in production:** The Saudi population continues to grow at a rate of 1.2% per year, coupled with shortfalls in domestic production due to the climate of the country continues to place pressures on the country to import food and beverages from abroad to ensure continued food security as Saudi Arabia is still reliant on imports to match up to 75% of its food consumption needs.¹⁶ Saudi consumers appreciate fresh fruit and vegetables, chocolates and infant foods in particular from the EU. These are all products more likely to benefit from the increased demand for food and beverage products within the country.
- **A wealthy population when comparing against the Middle Eastern region as a whole:** When looking at the Middle East as a whole, Saudi Arabia has one of the higher levels of income per capita at a rate of EUR 23 600 which is only behind other gulf states such as Qatar and Bahrain. While income inequality remains an issue in the country, the population still has a higher average income per person when compared to other nations in the region such as Iraq or Egypt. This means consumers in Saudi Arabia have a higher average capacity to seek out and purchase EU food and beverage products compared to consumers in other Middle Eastern nations.
- **Youth population:** The Saudi Arabian population is very young with up to half of the population being aged 25 and under. The youth population while retaining many of the more conservative aspects of Saudi Arabian culture are however more open to exploring and appreciating foreign concepts which extend into food and beverage consumption. It can be observed that this segment of the population in particular is far more likely to pivot away from traditional Saudi Arabian food consumption norms (within the scope of the law) and embrace western styled food products such as pasta, croissants and imported cheeses. This segment of the population is also particularly more tech-savvy and more likely to utilise e-commerce distribution channels such as online retailing or food delivery apps compared to older consumers. Sustainability and health are also two key traits appreciated particularly by this segment of the population compared to older consumers.

¹⁶ USDA Gains Report- Food and Agricultural import regulations and standards report, Available at <https://apps.fas.usda.gov/newgainapi/api/Report/>

Figure 3-3: Growth drivers and trends – the Saudi Arabian food and beverage market

Source: Agra CEAS based on European Commission agri-food factsheet; Euromonitor International, and various (see footnotes).

In terms of current trends, the following stand out:

- **Some liberalisation and increasing openness:** Saudi Arabia, under its plan to diversify the economy away from its dependence on oil and gas exportation, has highlighted the need to increase inward investment into the country's research, tourism and commercial sectors. To draw in foreign (often western) investors to the country, the government has spent a significant amount of money in drawing international sports and cultural events into the country such as the first Saudi Arabian F1 Grand Prix and the Red Sea film festival, with accompanying impacts on the country's openness. The country has also in recent years granted more rights to females and ethnic minorities which results in these groups, which have historically faced limitations and challenges, having more power concerning expenditure and the capacity to generate revenue.
- **Increasing curiosity about outside cultures and products:** Saudi consumers despite internet restrictions in the country are increasingly utilising the digital space to gain insights into foreign cultures and markets. Saudi consumers enjoy some of the fastest internet speeds in the MENA region and the increasing usage of social media platforms (often western) allows consumers to continue to be influenced by western social trends. Quite often, social trends originating in the west will be well understood by Saudi consumers who often have a high level of English and increasingly are more curious about social norms in the west. The utilisation of social media to advertise to Saudi consumers is increasingly a key component of entering the Saudi market.
- **Premiumisation:** Saudi consumers increasingly are seeking out more exclusive and premium food and beverage products. The increasing number of women entering the workforce coupled with younger consumers being more aware of premium brands has resulted in a rise in demand for premium food and beverage products in the country in recent years. This benefits EU food and beverage products which are often associated as

a premium food and beverage products in the country.

3.3 Consumer profiles and preferences

3.3.1 Consumer profiles

Certain aspects of the Saudi Arabia population that were touched upon in sections 2.1 and 2.2 are worth bearing in mind when considering Saudi Arabian consumers. Most notably:

- **Religiously conservative population:** Even by Middle Eastern standards, the Saudi population is very religiously conservative. The Islamic religion is the only religion permitted by the state and many of the laws and social norms found in Saudi Arabia follow Islamic teachings. Certain food and beverage products are banned in the country including alcoholic beverages and pork products. Most Saudi consumers also adhere to Islamic traditional norms such as fasting for Ramadan. When entering the Saudi market, producers need to ensure their products are compatible with the Islamic religion and take into account the socially conservative social atmosphere of Saudi Arabia.
- **Urban population:** As highlighted throughout this handbook, the Saudi Arabian population is heavily urbanised at a rate of 85%. This is reflective of the difficulty of living in rural areas of Saudi Arabia due to the climate coupled with the vast increase of economic opportunities found in urban areas of the country compared to rural areas. As the population is highly urbanised, the country can be best viewed through targeted areas of the country surrounding the urban corridors of the country for example the regions incorporating the cities of Jeddah-Medina and Mecca and the Riyadh metro area. This makes it easier to focus on certain target markets of Saudi Arabia compared to many other third countries which have a more spread-out population.
- **Immigrant population:** Saudi Arabia has a very high immigrant population with up to 40% of the population being either an immigrant or from an immigrant background. Young males are the largest immigrant group which is driven further by the demand for manual labour across Saudi Arabia, the largest immigrant ethnicities include Egyptians, Indians and Pakistanis. Immigration from the EU is notable with many immigrants from the EU working within the service or primary sector of Saudi Arabia in the cities of Jeddah, Riyadh and Dammam. Immigrant groups normally retain many of the consumption habits from the country of birth which drives demand for non-Saudi specific food and beverage products in the country such as in the case of the EU consumers to demand olive oil, breakfast cereals and pasta.

Against the considerations set out above, notable overarching consumer types in Saudi Arabia are set out below. It is important to note that, while these overarching types have relevance across the country to some extent, the various aforementioned nuances must be taken into account, the relevance of universal consumer types is limited:

- **Impulsive spenders:** Impulsive spenders are more likely to spend more to keep up with the latest brands and trends, as many of the major trends in Saudi Arabia revolve around the rise in demand for premium high-end products this is a major consumer group for EU food and beverage producers to target. Within Saudi Arabia, there is a notable amount of consumers who fall into the category of impulse spenders, especially within urban areas as many consumers in the country have annual incomes that far exceed the regional average. Targeting these consumers via the online space and via high-end retailers active in Saudi Arabia is a key method of entering the Saudi Arabian market.
- **Empowered consumers:** Consumers who fall into this group value properties such as authenticity and take into account the impact of their purchases on the global climate. This primarily relates to younger consumers (as a reminder, half of the Saudi Arabian population is under the age of 25). Emphasising sustainability and environmental issues on the packaging of food and beverage products is a key method of resonating with this consumer group.
- **Strivers:** This consumer group is often associated as a consumer group which strives to have the latest products and to be seen in line with the latest social trends. Roughly a third of consumers in Saudi Arabia fall into this classification which represents a key consumer group to target for EU food and beverage producers as EU food and beverage products are often associated as a premium product.

3.3.2 Cultural Sensitivities and Other Considerations

The modern state of Saudi Arabia is relatively young with the country coming into existence in its modern state in 1932. The house of Saud and the Islamic religion are two of the key social pillars of the state and any disparaging of either of these institutions **will not** be well received. The social fabric of Saudi Arabia is very conservative which entails the need for visitors to observe several social rules and customs such as respecting the social teachings of the Islamic religion and further to abstain from alcohol consumption. It is important to research in depth what is permitted and not permitted in Saudi Arabia before arrival and to respect that you are going to be visiting one of the more restrictive countries in the world concerning cultural sensitivities. Despite this, a large number of visitors arrive in Saudi Arabia every year to visit the country's numerous tourist attractions or to engage in work activities in the country's large oil and gas sector without problems. Below is a list of several social activities and events which may affect the market for food and beverage products in the country.

Gift giving

Gift giving although common in Saudi Arabia is usually reserved for close friends and families although bringing a small gift such as chocolates, gourmet fruit baskets or premium cheeses when invited to a Saudi home will be well received. Gift-giving in the business world is not very common due to fears surrounding corruption allegations. Furthermore, it must be remembered that alcoholic beverages are in no way an acceptable gift in Saudi Arabia; and gifting or even bringing into the country of alcoholic beverages may get the gift-giver and recipient in legal trouble.

Festivals and holidays

As Saudi Arabia is an Islamic country and Saudis are proud of their state, many festivals and holidays in the country celebrate the country and observe Islamic holidays. A full list of important festivals and holidays in the Saudi Arabian calendar is found below:

- **Foundation Day** (February 22nd) This is the newest public holiday in Saudi Arabia,

beginning in 2022 the day commemorates the foundation of the first Saudi state in 1727.

- **Ramadan** (March 22nd – April 21st for 2023) Ramadan is one of the key holiday periods in the Islamic faith and involves a one-month period of fasting for observers of the Islamic faith. As Saudi Arabia's population is overwhelmingly Islamic it can be expected that most individuals will be fasting during the day within this period. Many restaurants and other food service outlets will close during the day in the country and total demand for food and beverages declines for a one-month period.
- **Eid al-Fitr** (April 21st – April 24th for 2023) This holiday signals the end of Ramadan and changes each year depending on the commencement of Ramadan. This day is a public holiday in Saudi Arabia and is usually associated with Saudis decorating their homes and hosting large family meals.
- **Arafah Day** (June 27th for 2023). This day is an Islamic holiday and commemorates the second day of the Hajj pilgrimage. Muslim pilgrims on this day travel to Mount Arafah to commemorate what is taught to be one of the last places the prophet Mohammed gave a sermon.
- **Eid al-Adha (Holiday of sacrifice)** (June 28th for 2023). This day is one of the most important dates in the Islamic calendar and is associated with the consumption of meat – typically sheep, goat or cow. The holiday is also associated with the consumption of sweet products such as cookies.
- **National Day** (September 23rd) This date marks the national day of Saudi Arabia and commemorates the renaming of the Kingdom of Nejd and the Kingdom of Hejaz into the modern state of Saudi Arabia.

Saudi public holidays are heavily linked to the Islamic religion which is the only state religion permitted in the country. As the country has begun to liberalise some aspects of its social atmosphere it is increasingly common to see symbols and smaller celebrations relating to non-Islamic traditions such as Christmas or Diwali although overall any public holiday in the country will be linked to the Islamic faith or the celebration of the state.

Important cultural symbols

Many of the more important cultural symbols in Saudi Arabia reference the wider Arabic culture, the House of Saud and the Islamic religion. It is very important to research the more important cultural symbols found in the country as disparaging any important cultural symbols will not be well received and many even result in imprisonment. Some of the more important symbols relating to food and beverages are found below.

Emblem of Saudi Arabia

The emblem of Saudi Arabia is an important cultural symbol in the country and is often displayed on food and beverage packaging as a sign of Saudi origin. The emblem consists of two swords and a palm tree with the two swords representing the former kingdoms of Hejaz and Nejd while the palm tree is a common tree found in Saudi Arabia.



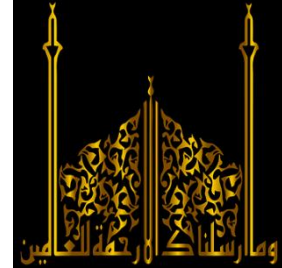


The Saudi Royal family

The House of Saud is the royal family of Saudi Arabia. Saudi Arabia is one of the few remaining absolute monarchies in the world and any disparaging imagery of the Saudi Arabian royal family will not be well received and can even lead to imprisonment. Make a note to ensure that imagery on your food or beverage packaging does not disparage the royal family.

Arabic Iconography

As Saudi Arabia is an Arabic country, many consumers appreciate Arabic iconography and indeed feel a sense of pride surrounding them. Arabic iconography can include images depicting the Arabic script, traditional clothing or traditional items such as a traditional jug. Make sure these items are shown in a positive light as many consumers will not respond well to any depiction of traditional Arabic cultural symbols or iconography in a negative light.



4 Market access and entry

This section provides details on the necessary requirements for entry into the Saudi Arabian market, outlining existing market access restrictions and explaining procedures. A summary of market access and entry is presented in section 4.1, in the form of a SWOT analysis.

4.1 Summary SWOT analysis

STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Saudi Arabia is a net importer of food and beverages as is reliant on imports to match domestic demand due to climatic and logistical constraints which limit the mass domestic production of certain major food and beverage products. ▪ The EU as a collective is one of the larger exporters of meat, dairy and fruit and vegetables to Saudi Arabia amongst other food and beverage products. ▪ Saudi Arabia has a large middle class, and the per capita income of the country is above the Middle Eastern standard allowing for a large percentage of consumers to purchase imported (EU) food and beverages. ▪ Saudi Arabia has a well-developed infrastructure network which makes it easier for EU exporters to enter the market. 	<ul style="list-style-type: none"> ▪ Alcoholic beverages – generally an important export from the EU - are banned in the country. Imports of pork are also banned in Saudi Arabia ▪ The country has strict regulations in place regarding importing food and beverages. In general, approval from the Saudi Food and Drug Authority (SFDA) and the need to be halal-certified are among the larger barriers to entering the market. ▪ Country-wide bans on certain EU member states on the exportation of animal products; and Saudi Arabia does not recognise EU regionalisation measures. ▪ The lack of open and transparent access (due to copyright) to the Saudi / GSO standards makes it difficult to stay up to date with all legislative requirements; and the fairly frequent updating of legislation can provide further confusion.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Growing association of food and beverage gift-giving during the holiday of Eid which often drives demand for premium (imported) food and beverages. ▪ The large youth population of the country is more open to outside cultures and generally has good access to the internet which further grows curiosity about international food and beverage products, up to half the population is aged 25 and under. ▪ Growing purchasing power of females due to increased participation in the workforce; females increasing are a key consumer group of many imported food and beverage products, including notably ice cream and chocolate confectionery. 	<ul style="list-style-type: none"> ▪ The larger threats for EU food and beverages include imports from the US, UK, New Zealand and countries in the wider Middle Eastern region; with GCC member the UAE a notable origin of many processed products. ▪ The Saudi Arabian government has highlighted the need to improve food security as a key objective in its Saudi Vision 2030 agenda, to this end, the government has been investing in both agriculture and facilities that can improve the domestic production of food and beverages. ▪ Various initiatives have been introduced to encourage domestic development and reduce the economy's dependency on oil (e.g. the regional HQ programme and

<ul style="list-style-type: none"> ▪ Saudi Arabia is one of the largest markets in the Middle East as is the largest market in the Gulf region. The country has a growing population which will further elevate the country's importance as a key market in the region and may provide a gateway to the broader GCC. ▪ The market is increasingly opening up, with a wider range of products on offer, and an increasing number of foreign retailers / food service companies (notably smaller, premium ones from other countries in the region) entering the market and offering new opportunities. 	<ul style="list-style-type: none"> levies on expatriates). Companies more involved in the market should be aware of these, though opportunities may also arise from them. ▪ Per capita incomes and the economic performance of the country are heavily linked to the global oil and gas market making Saudi Arabia particularly vulnerable to outside externalities, this can quickly impact the spending power of domestic consumers. ▪ The harsh climate and subsequent infrastructure complexities make exportation of certain food and beverages challenging.
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4.2 Food and beverage legislation and regulations

The food regulation landscape in Saudi Arabia is governed by a combination of Saudi Arabian regulations and Gulf Standard Organisation Regulations and Standards. One challenge is that the GSO does not provide free access to the text of regulations online, but rather only provides PDF documents against payment. Some older versions of GSO regulations and standards are available online and often (but not always) the differences between these previous versions and current versions are minor (e.g. lists in annexe). A further, partly related challenge is that there are fairly frequent efforts to update legislation, and combined with the aforementioned challenges around legislation transparency, this can lead to confusions over requirements in force.

It must be remembered that Saudi Arabia is a Muslim country, and as such exports of certain goods such as pork are outright banned; while halal certification is required for livestock products (more information is provided on this in the following sections).

4.2.1 Import requirements/restrictions, customs procedures and documentation

The general documentation requirements for shipments to Saudi Arabia are set out in Table 4-1. A summary of specific requirements by food and beverage type covered in this handbook is set out in Table 4-2 with further explanations regarding some of the general registrations / notifications required for food products provided thereafter.

Table 4-1: General requirements for goods exported to Saudi Arabia (including F&B)

Name	Description	To be prepared by	Language
Air Waybill	A document containing the details of the transportation of products by air and proving the transport contract between the consignor and the carrier's company. One Air Waybill may be used for the multiple transshipment of products.	Carrier (or his agent)	Normally EN
Bill of Lading	A document containing the details of the international transportation of products by sea.	Carrier (or his agent)	Normally EN

Name	Description	To be prepared by	Language
Ship pre-arrival notification report	A document notifying port authorities of the arrival of a vessel. To be submitted at least 48 hours before the estimated time of arrival.	Carrier (or his agent)	EN
Master's report	A document reporting the arrival of a vessel at the port of destination, summarising the cargo (including that to be discharged).	Carrier (or his agent)	EN
Manifest	A document notifying the authorities of the arrival of a vessel or aircraft and summarising the goods loaded. It is mandatory and does not depend upon the specific purpose of arrival.	Freight forwarder (or his agent)	EN or AR
Customs Import Declaration	Official form for the customs clearance of goods. It also contains all the information required for the assessment of the dutiable value of a shipment.	An importer or their agent	EN or AR
Commercial Invoice; pro forma invoice	A document containing the details of the transaction. There are requirements on minimum content for customs clearance though these are fairly standard invoice requirements. A Pro forma invoice generally contains the same information as a commercial invoice, though may be more precise. May be required for deliveries which are free of charge.	Exporter	EN or AR is preferred. If in any other language translation to EN or AR is required.
Packing List	A document containing the details of the shipment and serving as a basis for the treatment of goods by customs.	Exporter	EN or AR
Goods Identification Card	A document containing the particulars necessary for the identification of goods brought into the customs territory.	Importer	EN or AR
Proof of preferential / non-preferential origin	A document confirming the preferential / non-preferential origin of the goods to be imported. Usually required for a good subject to SPS measures and for any goods not bearing an affixed immovable mark of origin. It may be requested by customs or the importer if there are doubts about the origin.	Exporter	Any language with translation to EN or AR
Manufacturer's declaration	A document specifying the manufacturer of the goods. To be prepared by the exporter on a letterhead.	Exporter	EN or AR
Delivery order	A document containing the formal obligation of its issuer to deliver the shipment of identified parts to its bearer.	Bearer of the bill of lading	Normally EN
Insurance certificate	Document proving a contract for insurance of the goods has been signed. Required if the shipment has been insured and the Incoterm CIF is applied.	Insurance company of importer or exporter	EN or AR
Shipment certificate	Document certifying that the goods comply with the applicable Saudi Arabian standards, based on the inspection procedures under the SALEEM programme.	Exporter	Usually EN
Product certificate of conformity	Document certifying that the goods comply with the applicable Saudi Arabian standards; it is a pre-requisite for the shipment certificate (above).	Exporter	Usually EN

Name	Description	To be prepared by	Language
Commercial registration	Document proving that entities are registered for specific trade activities with the Commercial Register at the Ministry of Commerce.	Importer	EN or AR
SABER registration	Document certifying that all Saudi trade participants have been registered with the SABER portal of the SASO. A pre-requisite for the Product Certificate of conformity and shipment certificate.	Manufacturer, their agent or importer	EN or AR

Source: European Commission Access2Market

Table 4-2: specific market entry requirements mapped to handbook categories

Name and description	Fresh meat	F&V	Dairy	Olive oil	Confectionery	Processed F&V	Processed cereals	Baked goods	Pasta	/ Biscuits cereal bars	Baby food	Ice cream	Fruit juice
Registration of importers of foodstuffs. Document certifying that the importer of foodstuffs has been registered with the SFDA.	X	X	X	X	X	X	X	X	X	X	X	X	X
SFDA inspection. Document certifying that the SFDA has inspected the product in laboratories.	?	?	?	X	X	X	X	X	X	X	X	X	X
Certificate of analysis. Confirmed that microbiological and physical/chemical tests have been conducted by a laboratory in the country of export.		?		X	X		X	X	X	X	X	X	X
Permit to import new foodstuffs. Document determining the measures to be taken to enter new foodstuffs into Saudi Arabia and to allow their import.					?	?	?	?	?	?	?	?	?
Registration of importers of agricultural goods. Document certifying that the importer of agricultural goods has been registered with the Ministry of Water, Environment and Agriculture.	X	X	X			?							
Accreditation of foreign meat manufacturers. Document certifying that the foreign meat establishment has been accredited by the SFDA.	X												
Permit to important animals and animal products. This is a prerequisite for the Veterinary release certificate for animals and animal products.	X		X										

Approval to import endangered species and products thereof. Only required if the product is subject to CITES.	?												
Veterinary release certificate for animal and animal products. Document certifying that animal and animal products to be imported meet the necessary preconditions.	X		X										
Veterinary health certificate for animal products. A document confirming that products of animal origin to be imported have been inspected according to appropriate procedures, are not contaminated and do not carry any contagious diseases and are considered to conform with the current veterinary regulations of the importing country.	X		X								?		
Halal certificate. Document proving that foodstuffs of animal origin comply with standards required by Islamic rules for the production of the products.*	X		X		?				X		?	?	
Radiation certificate. Document certifying that tests on radioactivity have been carried out by an appropriate laboratory in the country of export.	X	X	X			X							
Certificate of dioxin content. Document certifying that products are suitable for consumption with regard to dioxin content.			X		?				?		?	?	
Phytosanitary certificate. Document confirming plants have been inspected, are free from quarantine pests and comply with phytosanitary regulations of the country of import.		X				?							
Permit to import plants and plant products. Allows the import of plants and plant products.		X				?							

Registration of seed and plant varieties. Confirms that seeds and plant varieties have been registered in the official catalogue.		? e.g. 07011 0											
Permit to import seeds. A permit for the import of seeds.		? e.g. 07011 0											
Certificate of fumigation. A document confirming that fumigation has been conducted in accordance with Saudi fumigation requirements.		?											
ISTA orange seed lot certificate. A document certifying the degree of purity and germination of seeds to be imported.		? e.g. 07011 0											

Source: Agra CEAS based on Access2Market

X = required for the category; ? = only required for category in specific cases, consult Access2Market for more details

* As noted in the subsequent section, the scope of halal certification has been under review. Indications in this table are based on a combination of Access2Market, interviewee experience and available information from the SFDA at the time of writing. It is recommended that halal requirements are verified again prior to export.

Table 4-3: List of tariffs in relation to agri-food products exported from the EU to Saudi Arabia

Product	Tariff
Fresh meat	0201 0%; 0202 5%-6%; 0203: PROHIBITED (also offal under 0206); 0204 0-7%; 0206 generally 5%; 0207 15-20% (minimum quantity tariffs may apply)
F+V	0701 0% or 15%; 0702 15%; 0703 0% or 15%; 0704, 0705 0%; 0706 0% or 15%; 0707 15%; 0708 0%; 0709 0%-15% 0802 5%; 0804 0-40%; 0805, 0806 0%; 0807 0% or 15%; 0808, 0809, 0810 0%
Dairy	0401 10%-25%; 0402, 0403 10%-15%; 0404 10%; 0405 6%-15%; 0406 5% or 6%.
Olive oil	12%
Confectionery	1806, 1704 5%-15% (prohibition on chocolate with alcohol);
Processed F+V	Generally, 5-12%
Processed cereals	5%-20%
Baked goods	5%-12%
Biscuits/cereal bars	5%-10%
Pasta	5%-20%
Baby food	190110 0%
Ice cream	15%
Fruit juice	5%-10%

As can be seen from the tables above, there are considerable requirements for imports. While a large part of the burden falls on the importer and leans heavily on their local presence (e.g. registrations, which generally require an e-account with SFDA; and permits) there are nonetheless numerous documents that the importer will have to obtain from the exporter in order to enable import.

Furthermore, exporters are recommended to keep an eye on requirements as these may evolve; particularly for products which may be deemed higher risk.

Saudi Arabia does not run a pre-clearance import programme; instead, there is a random sampling of imported products. This means that, while most products will clear customs without problems, in some cases there may be laboratory testing which can delay shipments by around two weeks. The cost of testing and storage in such cases falls on the importer, and the total amount can be significant. In the case that a product fails inspection, the cost of destruction of the product (under SFDA supervision) also falls on the importer.

4.2.2 Food safety and other food certification requirements

The Saudi Food and Drug Agency (SFDA) is the primary body responsible for food safety legislation in Saudi Arabia. It regulates and is responsible for standards for food and feed, and as part of this inspects foods (both domestic and imported). It is also in charge of consumer awareness of food matters. It also has responsibilities outside the area of food – namely for drugs and medical equipment. The SFDA was first established in 2003.

The SFDA is a member of various international bodies. Among others, these include most notably:

- Codex Alimentarius

- The Standards and Metrology Institute for Islamic Countries (of particular relevance is work in the area of halal standards)
- International Organization for Standardization
- Gulf Standardization Organization (the standard-setting organisation for the Gulf Co-operation Council; its scope includes the setting of food and agricultural standards)
- Arab Group for food safety
- Gulf Rapid Alert System for Food

Legislation for food

The Food Act and Regulation is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

In broad terms, this regulation covers:

- Key definitions
- The roles and responsibilities of the SFDA concerning food.
- Registration and licence requirements
- General requirements around food handling
- The general requirements for and liability of food business operators/establishments.
- Control provisions, sampling, traceability and recalls

There is a multitude of other regulations relevant to food. A full list of all food laws and regulations of the SFDA can be found at the following link:

https://www.sfda.gov.sa/en/regulations?keys=®ulation_type=All&date%5Bmin%5D=&date%5Bmax%5D=&tags=1

The most important overarching pieces of other legislation for exporters include:

- ***Conditions & Requirements for Importing Food to Saudi Arabia*** (2022) and ***Food Clearance Conditions and Requirements*** (2021). These set out the import conditions (as detailed in the previous section REF), as well as the potential for additional requirements and the SFDA procedures. The full text can be found at: <https://www.sfda.gov.sa/sites/default/files/2022-03/SFDAFood4654E.pdf> and https://www.sfda.gov.sa/sites/default/files/2021-11/SFADFgdfg_1.pdf
- ***Process for Approving Foreign Competent Control Authorities and Establishments (2020)***. This sets out the process of approval of foreign establishments which produce livestock products as well as certain fruit, vegetable and cereal products. The full text can be found at: <https://www.sfda.gov.sa/sites/default/files/2022-01/2020aa1e1-1.pdf>
- ***General standard for labelling feedstuff***, this is covered in the next subsection (4.2.3) on labelling.

Among the numerous regulations and standards, some are relevant only for certain products. In the case they relate to specific products covered by this handbook, they are mentioned in the “market access” section of the corresponding product (in section 5).

As a general note, most food standards are issued by the Gulf Standards Organisation

(GSO) – either through mandatory technical regulations or voluntary standards¹⁷. GSO standards are typically based on Codex Alimentarius standards, with some modifications to reflect the local market and conditions. While GSO standards can be voluntarily adopted by members (and hence local standards may exist in their place in some cases), GSO technical regulations must be adopted by all GSO members. In the case of Saudi Arabia, GSO standards tend to be adopted if they are considered more up to date than existing Saudi standards. Drafts of GSO standards and regulations are notified to the WTO prior to their adoption.

A full list of GSO standards (all sectors) can be found, and purchased at the following link: <https://www.gso.org.sa/store/?lang=en>

Facility registration

The requirement for facility registration covers the following animals/products:

- Beef and beef products
- Sheep and sheep products
- Fishery and aquatic products
- Honey and its products
- Milk and its products
- Breast milk substitutes
- Eggs and their products
- Frozen / processed fruit and vegetables
- Grains and crop yields

The competent authority must first apply for the country to be able to export the product. In a second stage, the competent authority must provide a list of establishments registered with it that are interested in exporting. Inspection fees must then be paid for the inspection to take place; for EU establishments this fee is 27 000 Riyal (around EUR 6 800)

An interactive list of countries authorised for export of different products and of approved facilities from each country can be found at the following link: https://www.sfda.gov.sa/en/list_countries.

Legislation for feed

For feed, the **Feed Act and Regulation** is the primary piece of legislation. The most recent (2019) version can be found at: <https://www.sfda.gov.sa/sites/default/files/2021-05/lawFeedE.pdf>

Other regulations relevant for feed can be found at:

https://www.sfda.gov.sa/en/regulations?keys=®ulation_type=All&date%5Bmin%5D=&date%5Bmax%5D=&tags=4

Additives

GSO standard 05/FDS 2500 sets out the additives permitted for use in foodstuffs. The document is periodically updated. A complete version of the 2019 document – as listed on

¹⁷ This comprises the six GCC countries: The United Arab Emirates, Saudi Arabia, Kuwait, Bahrain, Oman, and Qatar; plus Yemen.

the SFDA website as the legislation for additive - with the main text in Arabic but lists of additives in English can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2019-06/AdditivesPermittedUseFoodStuffs.pdf>

There have however been annual updates to the list since, with the most recent in 2022. While this 2022 update is not identified on the SFDA website, a copy of the legislation can be purchased at the following link:

<https://www.gso.org.sa/store/standards/GSO:807798/GSO%202500:2022>

The list is already extensive. However, it is possible to add additives to this list if they meet certain conditions (e.g. have a Codex designated International Numbering System number). It is necessary to contact SFDA to request adding an additive – typically through a local Saudi-based partner.

Pesticides and contaminants

Pesticides as a whole are regulated by the ***Pesticides Law System and its Implementing Regulation in the Gulf Cooperation Council*** of 2019. It includes a list of restricted and banned pesticides in annexes 3 and 4 respectively. The full text of this piece of legislation can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-05/lawPesticideE.pdf>

MRLs are set out in the piece of legislation entitled ***Maximum limits of pesticide residues in agricultural and food products*** of 2019. The full text can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2019-06/PESTICIDE-RESIDUES-AGRICULTURAL-FOOD-PRODUCTS.pdf>

While the text of the legislation at this link is in Arabic, the tables of MRLs are in English.

There are two further key pieces of legislation relevant for contaminants:

- The SFDA standard of 2019 on ***Contaminants and toxins in food and feed***. It covers a number of toxins including heavy metals, aflatoxins and melamine. A draft of this, in English, is available at <https://www.sfda.gov.sa/sites/default/files/2019-06/ContaminantsToxinsE.pdf>
- GSO standard 2481/2019 on ***Maximum Residues Limits (MRLs) of Veterinary Drugs In Food***. A draft of this (text in Arabic, tables in English) can be found at the following link: https://www.sfda.gov.sa/sites/default/files/2019-06/VeterinaryDrugs_0.pdf

Additional Gulf standards on further specific contaminants such as: MRLS of contaminants in organic food (2532:2016); sweeteners (1995:2015); and microbiological criteria in foodstuffs (1016:2015) also exist.

Halal certification

GSO 2055-1/2015 defines halal foods and sets out the requirements for them.

Livestock slaughtering must take place in accordance with the procedures set out in GSO 993 (latest version 2015). Exported meat must be accompanied by a certificate confirming that the animal was slaughtered in accordance with this standard.

Food products containing meat ingredients must be accompanied by halal certificates issued by a certification body accredited by SFDA. A list of these bodies can be found at

the following link: <https://api-halal.sfda.gov.sa/uploads/Clients/1a84da6c-bdc9-4fa5-9d53-f05a0d860084.pdf> The list includes various bodies from EU member states.

It should be noted that, in 2021, the SFDA announced its intention to enlarge the scope of halal certification to include a wide range of products, including: all milk and dairy; oil and fats; all confectionery and sweet baked wares; various chilled and frozen products; and various products with a long shelf life. The intention was for this requirement to enter into force in 2022. However, the SFDA has not provided a full update on the implementation of this requirement since releasing the draft regulation. It is recommended that, for non-meat products, import partners (or one of the above-listed EU based accredited certifying bodies) be consulted about the current status of mandatory halal requirements prior to export.

4.2.3 Labelling Requirements

The key piece of legislation for the labelling of pre-packaged foods is GSO 9. A new version of this was introduced in late 2022, replacing the previously long standing 2013 version. It is understood that the major change that this new version introduced was the possibility to provide nutritional information on a per 100g/100ml basis or a per pack basis.

Pre-packaged foods in Saudi Arabia must contain the following information:

- Product name
- Producer name
- Country of origin (or production)¹⁸
- List of ingredients (in descending order)
- Instructions for use, if relevant
- Nutritional information (see below)
- Shelf life; this can be any of: expiration, use by or best before dates; or “fit for” period from the date of production; or sell by date for foods with a shelf life of over three months. The format should be day – month – year (just month – year is acceptable for products with a shelf life of over three months).
- For products without specific shelf life (e.g. salt and spices), the date of production must be marked.
- Shelf life dates must be permanently printed or engraved on the original label (it is not acceptable for them to be added on a sticker). Only one shelf life date is permitted on each product.

It is recommended that the weight or volume, in metric measurements, also be indicated on the label of pre-packaged foods.

The information on the label must either be in Arabic or must contain an Arabic translation. If a translation is used, all information must be on a single sticker provided by the manufacturer (note the requirement for shelf life to be on the original label).

¹⁸ If a product undergoes a processing that changes its nature in a country different to its original country of origin, the second country – that where the processing is performed – is the Country which should be indicated on the label. If there is no change to the nature of the product or it is just packed in the second country, then the original country must be listed as the country of origin.

With regards to **nutritional information**, GSO regulation 2233 contains requirements. This was last updated in 2021. The 2021 version can be purchased from GSO at <https://www.gso.org.sa/store/standards/GSO:781113/GSO%202233:2021?lang=en>

The text of the previous 2018 regulation can be found at: https://members.wto.org/crnattachments/2018/TBT/SAU/18_5864_00_e.pdf

The following nutritional information must be provided as a minimum:

- Energy (kcal)
- Protein (grams)
- Carbohydrates (grams)
- Fibre (grams)
- Fats (grams)
- Saturated fats (grams)
- Trans fats (grams)
- Cholesterol
- Sodium
- Total sugar (grams)
- Added sugar (grams)

This should be provided on a per 100g, per 100ml or per pack basis. Generally then % of the NRV is also included on the label.

Information on other nutrients including e.g. vitamins and minerals may be required in specific cases. Vitamins and mineral amounts may not be indicated on the label if they represent less than 5% of the nutrient reference value - NRV (generally per 100g or 100ml).

The GSO regulation contains the reference amount for NRVs; as are tolerance levels.

There are also labelling requirements for **additives and antioxidants**. For all categories, the additive name and index number must be indicated. There may be extra requirements depending on the type of additive (e.g. colourings, emulsifiers, sweeteners etc). It is recommended to consult GSO 9 (alongside the legislation it cross references) for further details.

In addition to the general labelling requirements, there are **specific labelling requirements for certain foods**. This includes most notably dietary foods (as defined by SFDA standard FD 654); but also some specific categories of food as required by food standards. Relevant food standards identified for categories in the handbook have been included in the market access sections of the product snapshots (section 5).

Nutrition and health claims which can be used on products are set out in SFDA.FD 2333. A brief 2021 guide from the SFDA can be found at the following link: <https://www.sfda.gov.sa/sites/default/files/2021-04/AGuidetoNutritionClaims.pdf> (note: this does not contain the full list of claims, but sets out the system in place).

Front of pack labelling and other labelling measures to address health issues

In order to address issues with noncommunicable diseases stemming from dietary intakes, the SFDA launched a health food regulation strategy in 2018. Several measures have been launched as a result of this. By far the most notable of these in the context of labelling is the **front of pack nutritional labelling scheme**. This scheme, set out by SFDA.FD 42/2018 is a traffic light labelling scheme. Nutrients indicated are

sugar, fat and salt, with the nutrient levels for labelling adapted to Saudi Arabia. In 2021 the SFDA notified the intention to make this front of pack labelling mandatory rather than voluntary; however in June 2022 this mandatory implementation was delayed indefinitely.

Other notable measures launched as a result of this strategy that may be of relevance to EU exporters are:

- A draft regulation on Guidelines for Marketing Requirements of Food Directed to Children, notified to the WTO in 2021.
- A draft regulation on Requirements of Food Products with High Nutritional Value was also notified to the WTO in 2021. This effectively set out the requirements for a nutrient profile model for Saudi Arabia.
- A regulation on Salt Limits Guidelines in Food Products (SFDA.FD 59/2018). It set salt limits for 22 categories of processed foods. Though voluntary, producers and exporters have been strongly encouraged to adhere to these.
- Regulations requiring caloric information plus information on allergens on food establishment menus (SFDA.FD 56/2018 and SFDA.FD 20/2018).
- A ban on partially hydrogenated oils in all food products (SFDA.FD 2483).

In addition, SFDA had previously (in 2017) previously implemented an excise tax on sugar sweetened beverages. This is 50% for soft drinks and 120% for energy drinks.

The key legislation in place for packaging is:

- GSO 839 (last updated 2021) which covers general requirements for food packaging (e.g. clean, not contaminate food or transit odours, impermeability and environmental protection, etc).
- GSO 1863 (last updated 2021) which covers plastic packaging requirements (e.g. type of plastic, applications, any warnings, etc).
- SASO 2173/2003 on aluminium foil food packages (e.g. purity of metal, thickness, etc).

With regards to **organic foods**, SFDA.FD/GSO 2374 provides guidelines for the production, labelling and marketing of organic food. The current version of these guidelines dates from 2014. For imported food, the food must be produced to the organic standard which exists in the exporting country (i.e. EU organic standard for EU products) and the product must be accompanied by an official certificate of the country of origin to certify this. Furthermore, the Ministry of Environment, Water and Agriculture (MEWA) plays a role alongside the SFDA on ensuring compliance of organic products. More specifically, of relevance for imported foods:

- Any party wishing to engage in any activity with organic food in Saudi Arabia must obtain a certificate of authenticity from a licencing organic certification body (OCB). This obligation includes the activity of importing.
- OCBs recognised by MEWA are: BCS (Germany), CERES (Germany), TAWTHIQ (Saudi Arabia), OneCert (USA) and CCPB (Italy).
- Certificates issued by the OCBs are required for the import of organic food into Saudi Arabia. The local importer must also make a commitment to the SFDA's conditions of importing and releasing organic food products.

4.2.4 Protection of intellectual property rights, including geographical Indications (GIs)

Saudi Arabia has adopted the unified Gulf Cooperation Council (GCC) Trademark Law. It has also adopted the GCC Patent Law and GCC Customs Law to help harmonise IPR rights across the region. The Saudi Authority for Intellectual Property (SAIP), established 2017 is the body which deals with IPR issues in Saudi Arabia.

Trademarks are valid for ten years and are renewable. Comprehensive information on trademarks and the procedure for registering them can be found at the following link: <https://www.saip.gov.sa/en/ip-domains/240/>

There is not a dedicated law or provision for the protection of geographical indications in Saudi Arabia. As a result, some GIs from across the world have been protected under collective marks or control/certification marks; as is indicated as a possibility under article 37 of the GCC trademark law. More information on the procedure for the registration of collective marks can be found at the following links:

- Collective marks: <https://www.saip.gov.sa/en/services/964/>
- Control marks: <https://www.saip.gov.sa/en/services/965/>

There is no agreement between the EU and Saudi Arabia on GIs at present. There are however early signs that Saudi Arabia may consider signing up to the Geneva Act of the Lisbon Agreement on appellations of origin.

Searching for trademarks in Saudi Arabia

It is possible to search for trademarks in Saudi Arabia, though it should be noted that this is a payable service. More details can be found at the following link: <https://www.saip.gov.sa/en/services/353/>

4.2.5 Relevant authorities for IPR and GI protection and further contacts

Saudi Authority for Intellectual Property (SAIP)

As Sahafah Olaya St 6531, 3059, Riyadh Saudi Arabia

✉ saip@saip.gov.sa

🌐 <https://www.saip.gov.sa/>

4.3 International trade

4.3.1 Saudi Arabia and foreign trade

As Saudi Arabia is one of the largest global exporters of oil and natural gas it has positioned itself to be a lucrative country to engage in trade deals with. The country itself is a member of the wider Gulf Co-operation Council which is an economic union with the other gulf member states of Bahrain, Kuwait, Oman, Qatar and the United Arab Emirates

(GCC). The country further is a member of the Council of Arab Economic Unity which is a pan-Arab free trade zone consisting of the countries of Algeria, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Sudan, Syria, Tunisia and the United Arab Emirates (PAFTA). Since 2005, members of the GCC have agreed to negotiate trade agreements together as a bloc rather than by individual member states.

4.3.2 Key trade agreements, present, and future

As a member of the Gulf Co-operation Council (GCC), Saudi Arabia is a party to several key trade agreements with countries and economic blocs such as Singapore and the EFTA states (Iceland, Liechtenstein, Norway and Switzerland). There are a wide number of trade agreements which have been proposed or are currently under negotiation with countries or economic blocs such as Australia, China, the EU, India, Japan, the Republic of Korea, MERCOSUR, New Zealand, Pakistan, the UK and Turkey; though with the possible exception of New Zealand, there is no major indication that any of these will be concluded and enter into force in the foreseeable future (Table 4-4).

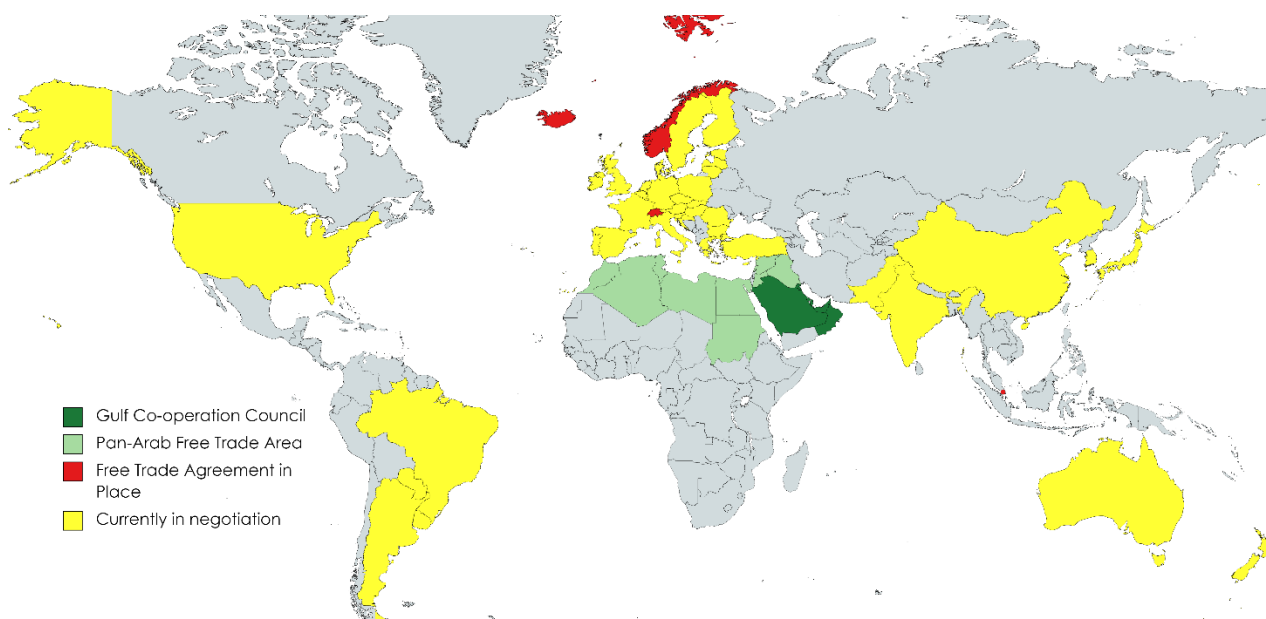
Table 4-4: Chronological list of Saudi Arabian trade/economic agreements

Partners	Type of agreement	Entry into force
Pan-Arab free trade zone (PAFTA)	Free Trade Area	1964
Gulf Co-operation Council	Economic Union	1981
Singapore	Free Trade Agreement	2008
European Free Trade Area (EFTA)	Free Trade agreement	2009

Source: Agra CEAS based on various

As stated above, Saudi Arabia as a member of the Gulf Co-Operation council is proactively seeking additional trade agreements with several countries and economic blocs. The current status of these negotiations varies; for example, talks with New Zealand were finalised but never entered into an agreement while further negotiations remain at the initial stages for negotiations between the GCC and other countries such as China, the US and India:

- GCC - US FTA
- GCC - Mercosur FTA
- GCC- China FTA
- GCC- Australia FTA
- GCC - Turkey FTA
- GCC - Pakistan FTA
- GCC- EU FTA
- GCC- Japan FTA
- GCC- South Korea FTA
- GCC- New Zealand FTA (*Talks finalised*)



4.3.3 EU-Saudi Arabian trade status

The EU and Saudi Arabia (through its membership of the Gulf Co-operation Council) have established trade relations based on a co-operation agreement signed in 1988. The agreement establishes the grounds for negotiations regarding concerns relating to trade and investment, macro-economic matters, climate change, energy, the environment and research. The agreement signed in 1988 was enhanced and modernized in 2017 under an agreement known as the EU-GCC dialogue on trade and investment. Free trade negotiations commenced in 1990 however these negotiations ran into several challenges leading to talks being suspended in 2008, although hopes remain for negotiations to continue in the short-term future.

4.3.4 WTO disputes and other trade barriers

Saudi Arabia has three agri-food-related trade disputes with the EU at present, concerning certain bilateral concessions concerning the trade of agricultural goods

These disputes are:

- **Countrywide ban on the imports of live animals due to OIE notification of disease outbreaks:** Saudi Arabia imposes temporary country-wide bans on imports of live animals whenever the country is notified about an animal disease outbreak. Therefore, it is argued that Saudi Arabia does not follow the international standards of the World Organisation for Animal Health (OIE) which state that trade can continue to take place under certain conditions (such as regionalisation measures) without the need to ban the whole country.
- **Non-transparent import conditions for the imports of agri-food:** The Gulf Co-operation Council (GCC) implements technical standards in the area of SPS with a view to harmonising SPS measures amongst members of the GCC. The SPS measures are copyrighted and have to be purchased meaning that certain SPS measures required to export to the Saudi market are not available openly and

transparently.

- **Trade restrictions due to non-recognition of the EU's regionalisation measures for Avian influenza outbreaks:** A country-wide ban is implemented by Saudi Arabia on any EU member state upon notification of an outbreak of a highly Pathogenic Avian Influenza (HPAI) in birds, despite strict EU measures relating to controlling an outbreak. The non-recognition of EU regionalisation measures results state wide bans rather than focusing on the region in particular which has been impacted by an Avian influenza outbreak.

**Further information, as well as an up-to-date list of trade barriers,
can be found here:**

[Barriers results page | Access2Markets \(europa.eu\)](#)

4.3.5 Summary of key trade barriers

To summaries, the non-transparent nature of obtaining information surrounding Saudi legislation (including those concerning SPS issues) coupled with the lack of regionalization recognition stands as the biggest trade-specific barriers to trade.

4.4 Operating in the Saudi Arabian food and beverage market

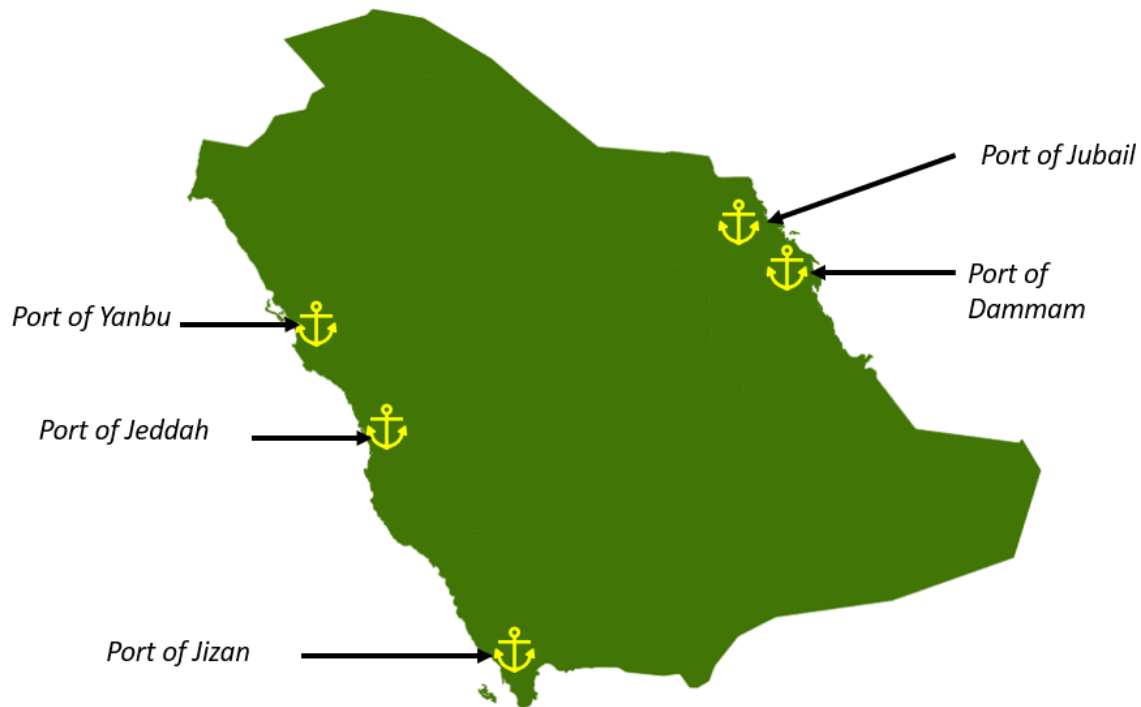
4.4.1 Logistical services and transportation infrastructure

Due to Saudi Arabia being a large country located at the crossroads of the Middle East between the gulf states and the rest of Western Asia, the infrastructure of the country plays a key role in the movement of people and goods in the region. The country has utilised its oil and gas reserves to finance a large number of transportation projects in the country with new ports and airports opening in recent years. The country has also expanded its road and rail infrastructure to increase inner connectivity within the country. Below is a breakdown of the logistical outlook of Saudi Arabia.

Shipping

Saudi Arabia constitutes a key region between the Persian Gulf and the Red Sea, as such, several key ports are located across both coastlines of the country. Saudi Arabia has invested heavily in developing its international port facilities to facilitate the exportation of oil and gas coupled with wanting to position itself as a key transit hub for cargo in the region. The five largest ports by cargo traffic in Saudi Arabia include The Jeddah Islamic port, the port of Dammam, the port of Yanbu, the port of Jubail and the port of Jizan as shown Figure 4-1.

Figure 4-1: Major Ports in Saudi Arabia



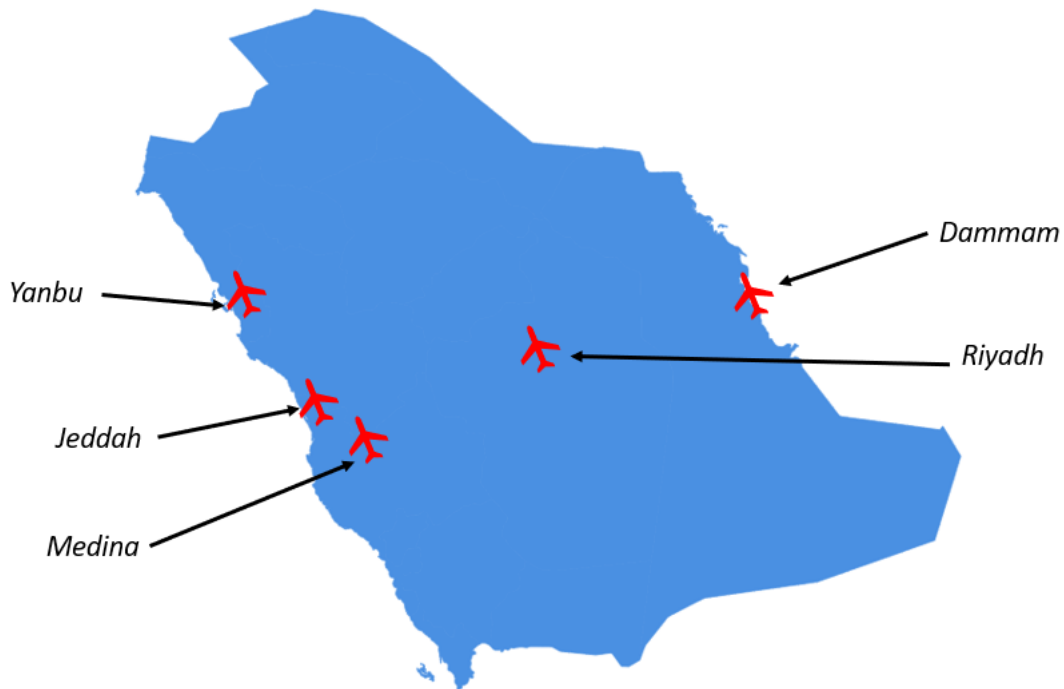
Source: Agra CEAS based on various

Airfreight

Airfreight is increasingly growing in Saudi Arabia as the government has made efforts to modernise and expand airports in the country. The key location of Saudi Arabia on the crossroads of Western Asia positions the country to be a strategic hub of cargo freight movement. Airfreight reached a total volume of 501 000 tonnes in 2021.¹⁹ The five busiest airports by cargo traffic include King Fahd airport in Dammam, King Abdulaziz airport in Jeddah, King Khalid airport in Riyadh, Prince Mohammed Bin Abdulaziz in Medina and Prince Abdul Mohsin bin Abdulaziz airport in Yanbu.

¹⁹ Increase of air traffic rate in Saudi Airports in 2021, General Authority for Statistics of Saudi Arabia, available at <https://www.stats.gov.sa/sites/default/files/Air%20traffic%202021-EN.pdf>

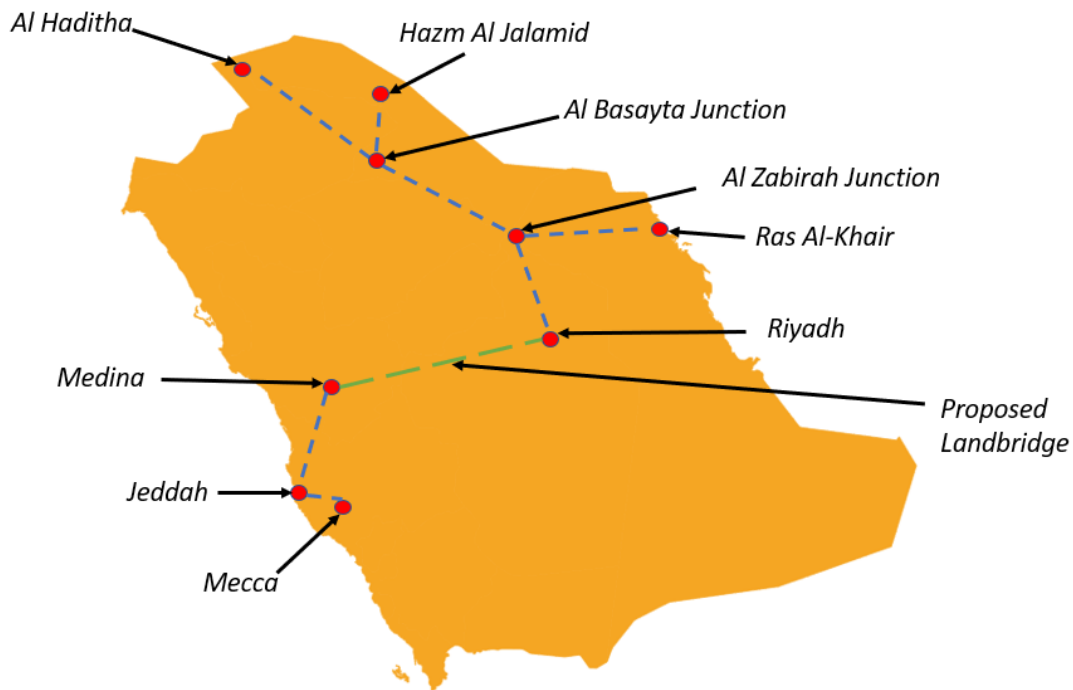
Figure 4-2: Major International Cargo Airports in Saudi Arabia



Source: Agra CEAS based on various

Rail freight

Rail freight in Saudi Arabia is mainly focused on the Dammam-Riyadh line and the north-south line which connects Northern Saudi Arabia to Riyadh and the settlement of Ras Al-Khair which connects further to other gulf states. There are plans for a railway line connecting Riyadh to the country's western economic corridor between the cities of Jeddah and Mecca in the short-term future. The only other major rail line in the country at present is focused on the cities of Jeddah to Mecca.

Figure 4-3: Major rail connections in Saudi Arabia

Source: Agra CEAS based on various

Road Freight

Road freight is the key method of cargo distribution within inner Saudi Arabia. The country has invested heavily in rolling out a well-established road network in recent decades as many of the larger urban centres are spread out and divided by large valleys and deserts. All major urban centres of the country are now connected to the highway and road network as the country has prioritised the use of road freight as a means of cargo movement internally in recent decades.

4.4.2 Distribution – retail channel overview

The retail sector of Saudi Arabia was estimated to be valued at EUR 137 billion in 2021 with most forecasts expecting the total value of the retail sector to grow²⁰. Saudi Arabia has a younger population than most other major markets of EU food and beverage interest, which encourages the usage of new channels of distribution such as e-commerce. There are a large number of shopping malls spread out across Saudi Arabia with the cities of Riyadh, Dammam and Jeddah being the main centres of retail activity and growth in Saudi Arabia.

²⁰ Saudi Arabia Retail Market Size, Global Data, available at <https://www.globaldata.com/store/report/saudi-arabia-retail-market-analysis/#:~:text=The%20Saudi%20Arabia%20retail%20market,4%25%20during%202021%2D2026>.

Hypermarkets and Supermarkets

The hypermarket and supermarket model has been long established within the Saudi Arabian market, with the largest chains being Lulu Hypermarket, Panda Supermarket and Al Jazira. One of the larger EU-founded supermarket and hypermarket chains found in Saudi Arabia is Carrefour KSA (French). As urban centres have expanded in recent years coupled with large population growth, hypermarkets and supermarkets have become more common distributors of food and beverages in Saudi Arabia as consumers appreciate the capacity to purchase multiple food and beverage items within one visit to a retailer.

Traditional outlets (Markets-Souq)

There are several food markets (often referred to in Saudi Arabia as “Souq”) found throughout Saudi Arabia, particularly within smaller settlements where they can be the main distribution channel of food and beverages. Generally, the larger food and beverage markets are found in Riyadh, Medina and Jeddah with notable examples being Souq Al-Zal (Riyadh) and Souq Qabil (Jeddah). Traditional retailers are losing ground increasingly in Saudi Arabia to new consumers as demand for hyper and supermarkets continues to grow.

Convenience Stores

Convenience stores in Saudi Arabia have traditionally not been a large feature of the country’s retail sector although this is rapidly changing. The growth of convenience stores in neighbouring UAE and Bahrain has impacted over into the Saudi Market which is now one of the fastest-growing convenience store markets in the world. The largest convenience store retailers in the country at present are Sasco, NAFT and Aldress Petroleum.²¹

E-commerce

E-commerce has been growing in Saudi Arabia in recent years aided by a growing youth population and increased internet penetration throughout the country. Some of the larger e-commerce platforms concerning food and beverages in the country include Talabat, Lugmety and HungerStation. Saudi Arabia’s eCommerce market is valued at around EUR 9.3 billion making it the world’s 30th largest E-commerce market by value.²²

4.4.3 Intermediaries

The targeted end market will impact the most suitable partners. For the **retail market**, major supermarkets and hypermarkets often import some of their products directly from overseas suppliers. However, Saudi importers and agents may also be involved in the chain of imported goods reaching retail outlets. Most notably, major importers tend to have well-established networks for selling to both retail and food service outlets across Saudi Arabia. Consolidators – often agents representing different brands with regional exclusivity

²¹ Convenience in the Middle East – a very important part of the global retail map, Global convenience store focus, available at <https://www.globalconveniencestorefocus.co.uk/features/convenience-in-the-middle-east-a-very-important-part-of-the-global-retail-map/>

²² The E-commerce market of Saudi Arabia, ecommerceDB, available at <https://ecommercedb.com/markets/sa/all>

provisions - may also play a role in the chain. These consolidators normally also deal with requirements such as placing Arabic labels on food packaging.

It should be noted that major supermarkets and hypermarkets may request listing fees. Typically these range from around EUR 250 to a little over EUR 16 000 per stock-keeping unit (SKU), depending on various factors including the supermarket, product and distributor. Larger distributors typically have the power to negotiate a lower listing fee. In addition to listing fees, the following may be requested by super/hypermarkets from distributors (and costs ultimately passed on to exporters), or directly from exporters themselves:

- A specified percentage rebate on total annual turnover.
- Contribution to advertising campaigns.
- The completion of store merchandising activities.
- Reimbursement of expired items (note: distributors frequently authorise retailers to make special offers to consumers for products with under 60 days remaining shelf life).
- 60 day payment terms.

There are some companies active in the private label area which will import directly from exporters for onward sale as private label. Supermarkets are increasingly interested in selling private label products. Quality, volume / scalability and price are the common considerations for buyers of private label products; with the latter likely to provide a challenge for many exporters.

Finally, there are an increasing number of smaller retailers in Saudi Arabia which specifically cater for products at a higher price point. Several of these originate from the UAE. It may be possible to reach these smaller premium retailers either through intermediaries, or through their UAE head office in the case of those entering the Saudi market from the UAE.

With regard to the **food service sector**, almost all international hotel chains rely on local Saudi importers for their ingredients, making them a key partner for exporters. Importers are also frequently the partner of choice for other food service outlets, including restaurants and cafes. Some importers specifically work with consolidators for a couple of reasons. Firstly, it provides them with a wide range of products to import. Secondly, consolidators tend to take care of the more laborious tasks of translating labels and adding stickers – jobs which can require considerable time with a wide catalogue of items.

With regards specifically to the large food service companies (such as fast food chains), many have a regional sourcing operation (often in a nearby country), with these offices responsible for purchasing products from approved suppliers worldwide. Even those which do not have regional offices will have a centralised purchasing offices where daily orders are sent, with these orders then consolidated and large international purchases made, where relevant. Typically, large fast food and dining firms import between 30 and 85% of their products, depending on the company. Commonly imported ingredients include: fresh meat, cheese, sauces, French fries and frying oil. The US is a particularly common origin for imports by large food service companies.

There are a few importers which specialise in sourcing for the food service sector, and these are identified in the business contact database (section 8.5).

Further **general hints for finding and choosing partners** are as follows:

- Importers also commonly participate in fairs and expos, so it is worth attending some of these when looking for partners. A list is provided in section 8.4.
- It is important to do research on potential partners before entering into a relationship with them. Reputation, experience and financial stability are important factors to take into account.
- If the aim is to export a lower volume of product, then it may be worth working with a consolidator or with other companies to effectively group exports. This can help overcome any requirements that importers may have for dealing with full or partial container loads. For high volumes, approaching retailers directly is an option.
- It is worthwhile ensuring that expectations in terms of volumes match those of the potential partner's to avoid disappointment. It is possible that partners may be interested in volumes smaller than those which the exporter can / would like to supply.
- It is a good idea to pay attention to contact clauses. Key ones to check for are: *exclusively* (to be aware if this is required); and *break clauses* that allows exporters to get out of the relationship if it is not working. While the intention and preference is to have a positive, long relationship, it is good to have a clearly documented way out if necessary (particularly if exclusivity is required). It may be worth engaging a legal advisor to check the contract. It is very risky for export to take place without a contract in place.
- Most Saudi food importers are financially sound and do not default on payments. However, it is recommended that new-to-market exporters ask a prospective importer either for payment in advance or an irrevocable letter of credit until they build a close working relationship. Once both parties build mutual trust, other payment alternatives can be sought to reduce transaction costs. Payment in arrears (e.g. after delivery) is not a good idea for trial shipments or young relationships.
- Following on from the above, it is important to be aware of the issue of penalties for late payments under Sharia law. Interest rates by their nature are not accepted and can be easily refuted in the contract. It is better to agree on a fixed amount for payment after certain dates.
- Hiring a local consultant or agent may help navigate the cultural and legal aspects of doing business in Saudi Arabia.
- Saudi Arabians place a high value on building relationships and establishing trust before doing business. Therefore, the initial negotiation process should not be rushed. Furthermore, business deals are often sealed face-to-face, so the value of these meetings should not be underestimated when closing a deal with a new partner.

Further **general tips for entering the market and working with intermediaries** are as follow:

- Try to develop a personal relationship with your partner in Saudi Arabia; these are highly valued in Saudi Arabian business culture.
- There are cultural elements which may impact communication. Emails may not always be answered, but communication through e.g. WhatsApp tends to be successful. It is possible that replies in Arabic will be received to messages sent in English.
- Be patient when conducting business in Saudi Arabia. It may take longer to finalise deals or agreements than in other countries.

- Respect Islamic customs and traditions, including dress codes and business hours during Ramadan.
- One should not assume that all Saudi Arabian businesses operate in the same way. There can be significant regional differences in business practices.
- It should be noted that disruptions can occur with supply chains, leading to the sporadic appearance of products on Saudi retailers' shelves (e.g. an imported product may disappear for a while, or only one size of a product may be available). Exporters should be aware of this potential challenge.
- The retail mass-market can be more price focused, favouring products e.g. from North Africa. This creates challenges for more gourmet products which often do better in high end food service, though they may also be successful through high-end positioning in the retail channel.
- As previously noted, there are challenges around the transparency of regulation and standards. One option which may assist with this is to join a chamber of commerce or trade association with experience and knowledge of the Saudi Arabian market. These organisations may be able to provide guidance on regulations and standards and connect exporters with local partners who can help navigate the regulatory environment. The alternative is to work very closely with a reliable local partner.

Business Contact Database:

A database of importers, wholesalers, retailers, and distributors can be found in section 8.5.

N.B. due diligence will have to be performed for any contacts on this database as no warranty is given as to the standing of these individuals, organisations or firms, and no corresponding responsibility or liability is accepted by the authors.

4.4.4 Business environment

The business environment of Saudi Arabia is a mixture of traditional hierarchical decision-making processes coupled with the pursuit of foreign investment to help develop the service and industrial sector of the country. The Saudi economy is dominated by the country's oil and gas sector which results in much standard businesses practises common in this sector (such as wearing appropriate attire and exchanging business cards) being also common in other business meetings outside of the oil and gas sector. The business environment is quite conservative, and most decisions will be taken by the oldest of most senior-positioned employees, it is uncommon for younger or middle-aged employees to input too much into meeting exchanges or to make crucial business decisions. Overall, Saudi Arabia ranks 63rd in the world's ease of doing business index with the conservative nature of the country's business environment being one of the bigger hurdles to operating in the country.

4.4.5 Key operational considerations and challenges: summary

Key challenges to bear in mind when operating in the Saudi market are:

- English is widely spoken by Saudi Arabians, particularly in Riyadh and other major commercial centres, despite this however make sure to bring an interpreter as older employees (who ultimately generally are the decision makers) may not speak

- a high level of English and prefer to conduct business in Arabic.
- The Saudi work week is between Sunday to Thursday, avoid arranging meetings on Fridays (which is a religious day) and Saturdays.
- It must be remembered that the country is majority Muslim, and this impact both export opportunities and requirements. An example of this is the need for halal certification.
- Saudi Arabia although a large country by landmass, maintains few major target areas of interest for EU food and beverages due to the difficulty in operating in rural Saudi Arabia. The biggest target markets for EU food and beverages in the country include Riyadh, the Jeddah-Medina-Mecca corridor and the city of Dammam and settlements along the Persian Coast.
- The climate of the country needs to be respected when engaging in business activity outside of major urban centres. Quiet often temperatures can reach above 40C coupled with the desert climate means venturing into these regions can be fatal if unprepared.
- Saudi consumers value the family to a large degree, many businesses may have multiple members of the same family working within the company. Make sure to be respectful to **every** member of the business you intend to do business with as many employees may be related to each other up and down the business chain.

4.4.6 Other relevant information

Methods of payment in Saudi Arabia

Card-based payments are currently the predominant method of payment in Saudi Arabia which has been accelerated following the outbreak of Covid-19 in the country. The official currency of the country is the Saudi Riyal, the Saudi Riyal is pegged to the US Dollar resulting in the currency being more stable when compared to other currencies in the region. All major credit cards will work in Saudi Arabia and there will be plenty of exchange kiosks available at most points of entry in the country. Dollars may be accepted in larger supermarkets or airports in Saudi Arabia although this is less the case for Euros. Overall, its best to obtain a small amount of Saudi Riyals before entering the country and going to an ATM upon arrival to withdraw more if needed.

Travel from the EU to Saudi Arabia

Saudi Arabia has liberalised travel to the country in recent years through the commencement of a new E-Visa program for a select number of countries. EU citizens (of all member states) can apply online for a Saudi E-Visa prior to arrival into the country. This system is similar to the ESTA visa program operated by the United States in which you provide your information online and obtain a visa before flying to the country. After receiving an online visa, you must present the documents to an immigration officer in Saudi Arabia upon arrival. Upon gaining entry to Saudi Arabia, EU citizens are allowed to remain in the country for up to 90 days.²³

²³ Welcome to the Saudi eVisa portal, Visit Saudi, available at <https://visa.visitsaudi.com/>

5 Market Snapshots for Selected Products

This section provides specific information for various food and beverage categories and products. This information covers three main categories:

- **Consumption:** data on the evolution of consumption; consumer profiles and any notable consumer trends;
- **Offer:** domestic production; imports and exports; the competitive landscape; relevant specific customs procedures/import considerations;
- **Distribution:** main distribution channels used; domestic and imported offer.

Furthermore, each category contains a SWOT analysis and a key takeaways message.

Fresh meat	Fresh fruit and vegetables	Dairy
Olive oil	Chocolate confectionary	Processed fruit and vegetables
Baby food	Sugar confectionery	Processed Cereals
Pasta	Fruit juice	Baked goods
Biscuits and Cereal bars	Ice Cream	

5.1 Fresh meat

5.1.1 SWOT analysis

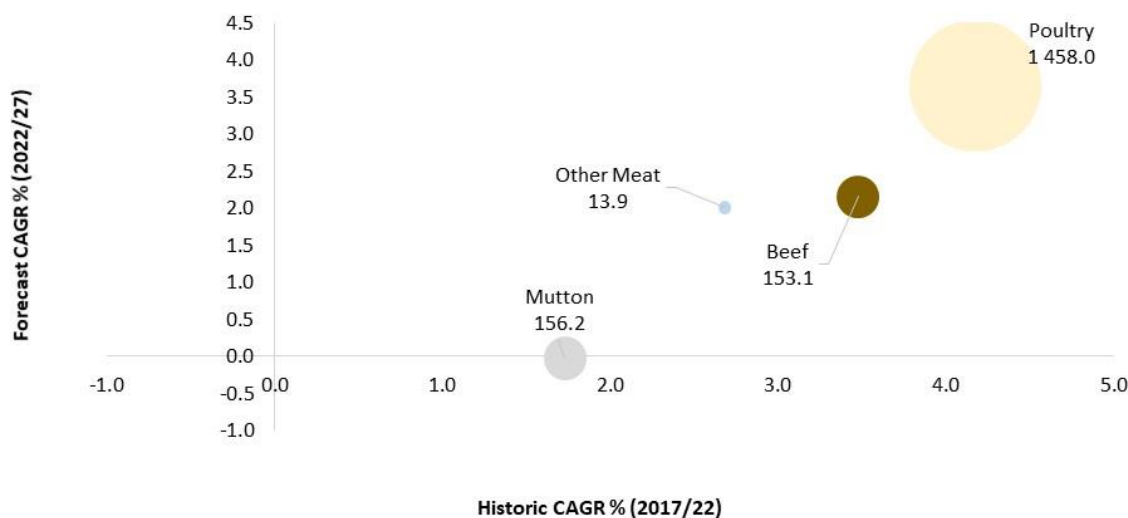
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Structural shortage of meat remains despite ongoing efforts to boost domestic production. ▪ Meat consumption has both been growing historically and is forecast to continue to grow at a good rate over the coming years. ▪ Evolving demand in terms of cuts, qualities and ultimate meat usage, partly due to western influences. 	<ul style="list-style-type: none"> ▪ Saudi retail consumers prefer fresh meat, which clearly favours Saudi producers. ▪ Meat must comply with Halal requirements as set out by GSO standards, and only SFDA approved bodies can certify products as halal. ▪ As a Muslim country, there is no market for pigmeat and an absolute ban on the import of pork.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ The dynamic situation with SFDA bans may create sporadic opportunities when a competitor suffers a ban. ▪ Red meat can be considered a higher-end product due to price; and the country is highly reliant on imports for bovine meat. ▪ Growing food service demand offers opportunities; and imported frozen products are not at such a disadvantage in this market when compared to fresh Saudi products. 	<ul style="list-style-type: none"> ▪ Domestic production of poultry is growing and supported by the government. Self-sufficiency is expected to reach 85% in 2030. ▪ Brazil maintains a dominant position in the import market, with its low-cost poultry attractive for many segments. ▪ There is a risk of bans on facilities in the case of any perceived hygiene issues or disease outbreaks.

5.1.2 Consumption

Evolution of consumption

As can be seen in Figure 5-1, poultry is by far the most popular meat in Saudi Arabia, as well as the fastest growing. The market for poultry equated to 1.458m tonnes in 2022, having grown at over 4% per year over the five years up to 2022. Going forwards, it is forecast to grow a bit more slowly at just over 3.5% per year. Mutton is a distant second, with 156 200 tonnes, making it a market of almost a tenth the size of poultry. Historical growth was 1.8% per year, but going forwards it is forecast to remain flat over the period to 2027. It is closely followed by beef with a market of 153 100 tonnes in 2022. Historical growth over the period 2017 to 2022 was over 3.5% per year; in the coming five years up to 2027 it is forecast to be slower at a little over 2% per year. The other meat category is very small at 13 900 tonnes. No pork is consumed in Saudi Arabia for religious reasons; there is no domestic production and imports are banned.

Figure 5-1: Evolution and forecast of fresh meat market (000 tonnes) in Saudi Arabia, 2021-2026; total volume



Source: Euromonitor International: Fresh Food, 2022.

Consumers

On average, Saudi Arabians consume around 50kg of meat per capita per year. As seen above, poultry is by far the most popular meat in Saudi Arabia, with over 40kg consumed per capita each year. Poultry had long been popular, but has recently further benefitted from both its comparative affordability and perceived healthiness when compared to red meat. Notable sub-groups of poultry consumers are:

- **Lower income and price conscious consumers**, who are attracted by the low price of poultry compared to other meats and will favour the meat and may concentrate more on lower-priced cuts. It should be noted that **middle and higher income consumers**, while also notable consumers of poultry, are more likely to focus on quality (and hence purchase more expensive cuts such as breast fillet and tenders).
- **Health conscious consumers** – most notably younger consumers, who are increasingly aware of the health impacts of red meat consumption, and so prefer poultry. Breast meat is particularly popular among this group due to its less fatty nature.
- **Expatriates of Asian origin**, most notably from the sub-continent. This numerous group is accustomed to the use of poultry in their traditional cuisine and so will continue to consume it in Saudi Arabia. Most notably, lower income consumers in this group are attracted to the meat through the combination of their traditional usage of it and the low price of the meat.

While poultry is more or less universally consumed, there is a clear relationship between red meat consumption and income, with wealthier segments greater consumers of this meat type. Most notably, men have been shown to consume considerably more red meat than Saudi women. Interesting, both more traditional consumers and those more exposed to westernisation trends are willing consumers of red meat, albeit for different reasons.

The former group is more likely to consume red meat in the context of traditional activities – for example, barbecued lamb during desert expeditions. The latter group is more likely to consume red meat due to exposure to either fast food or to the use of red meat in more elaborate international recipes (e.g. as outlined by international or celebrity chefs).

Drivers and method of consumption

Overall, meat can be considered a staple source of protein in Saudi Arabia. It may be consumed during any of the three main meals, though on balance consumption is more likely at lunch or dinner. It features in various traditional dishes, such as *kabsa* and *madfoon* (dishes combining rice with chicken and/or lamb); *matazeer* (dumplings in a meat – normally lamb – stew) and *jareesh* (crushed wheat and meat in sauce). It is increasingly consumed in the form of fast food, both more traditional (e.g. shawarma) and western (e.g. burgers, fried chicken); and is also popular in its roasted form.

The poultry market in Saudi Arabia tends to be somewhat cyclical, with high demand firstly in the winter months and secondly in the run up to Eid Al Adha. Conversely, demand tends to be low during Ramadan and in the hot summer months when many residents of the country leave for a period.

As noted below, poultry is most commonly purchased and subsequently consumed / used in the form of whole birds. That said, interest in cuts is increasing among consumers – most notably among busier households. While the food service industry is a particularly common destination for cuts, it is also common to find them in modern retail outlets. Roasted chicken is also particularly popular during weekends and during casual events.

As implied above, there is a strong relationship between red meat consumption and price. Red meat is anyhow more expensive than poultry, but when the price premium compared to poultry widens, red meat consumption tends to fall. Conversely, when the price premium falls – either because red meat becomes cheaper or poultry more expensive, consumption of red meat tends to increase. Red meat such as lamb is also integral to festivities such as Eid Al-Adha. Furthermore, there tends to be increased demand for red meat around the period of Ramadan and Hajj due to interest in traditional dishes from incoming religious tourists.

Historically there has been a preference for well-cooked red meat. Rare or medium red meat, where juices can be seen, are often associated with blood, in turn raising concerns about the fulfilment of halal requirements. However, there is a growing awareness that rare or medium red meat is more tender and the juices do not mean that halal requirements were not fulfilled.

Purchase criteria

There is a general preference for fresh, locally produced meat. Indeed, Saudi consumers have shown a willingness to pay a premium for fresh domestically produced meat. The reason for this domestic preference and willingness to pay is primarily due to the freshness of the meat. However, among some consumers domestic slaughter provides additional assurances about the method of slaughter of the meat. It should be noted that there are strict requirements on the halal status of imported meat; but nonetheless some consumers perceive the meat that is slaughtered in Saudi Arabia to be a higher grade of halal than imported meat.

In terms of poultry consumers tend to seek out whole chickens which weight around 1kg, with larger chickens often associated with being older (and hence of a lesser quality). In

the poultry sector, the fresh meat preferences means that imported meat is rarely sold in supermarkets and is much more commonly used in the food service sector. As noted above there is a traditional preference for whole chickens; however increasingly consumers are showing an interest in cuts. Chicken breasts tend to be the most popular cut due to the lean meat profile, followed by drumsticks and thighs due to their use in traditional recipes.

With regards to fresh beef, it is most commonly found in the form of mince. This can be explained by convenience, flexibility and price factors. Looking at other cuts, ribs are popular and sirloin is gaining in popularity due to its attractive price relative to many other cuts. Tenderloin tends to be reserved for the high income segment. For lamb, leg tends to be the most popular cut, followed by shoulder.

Fresh meat on retailer's shelves in Saudi Arabia

Imported meat prices vary based on the meat type and cut. Most commonly, imported meat available in modern retail channels will target the more premium segment. Imported red meat in supermarkets tends to retail at between SAR 80 and 160 (EUR 20 and 40) per kg. Poultry, when available through retail outlets, tends to sell at a lot lower prices (at around SAR for a whole bird weighing between 1 and 1.2kg).

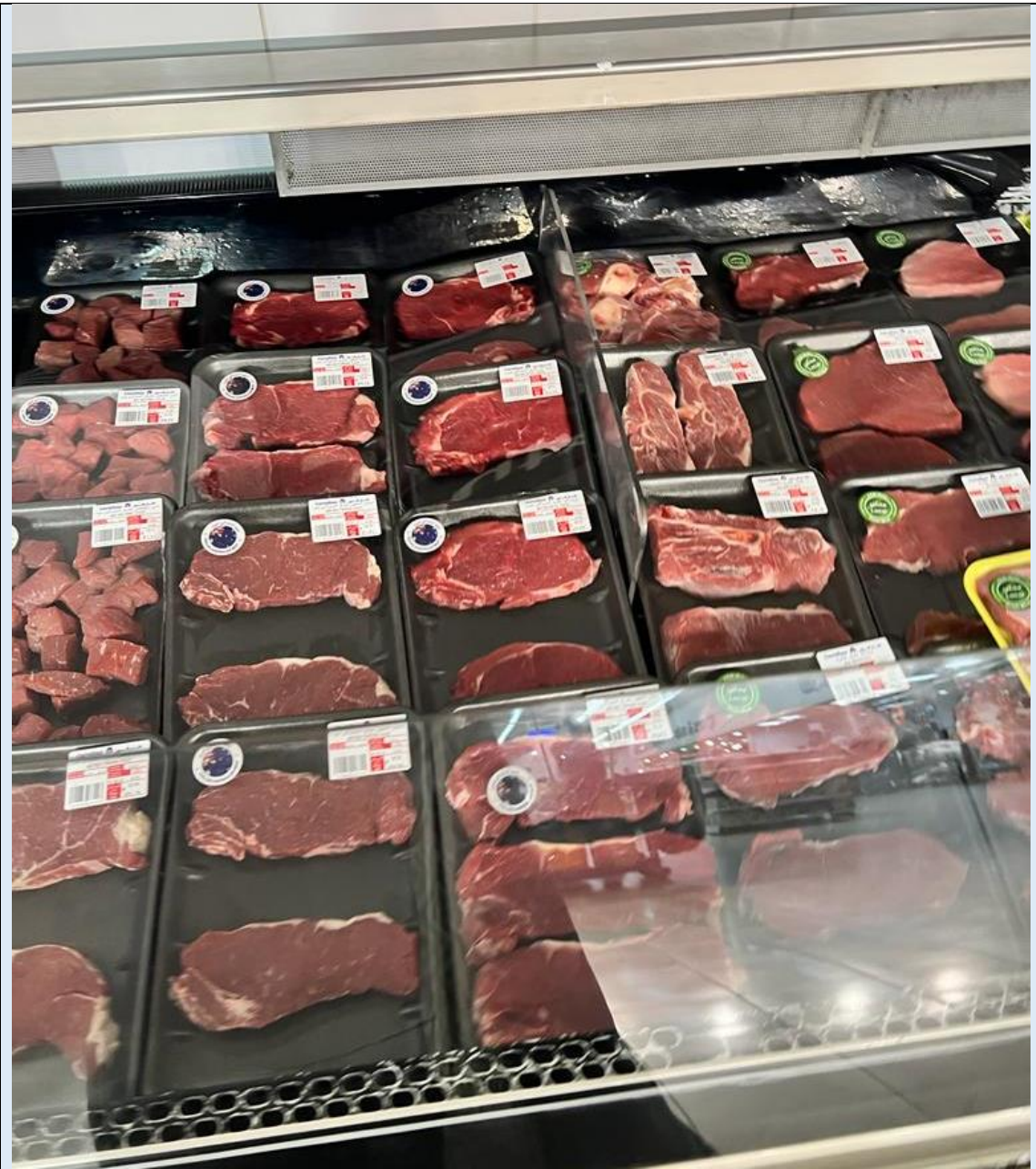


Above: meat counter in a supermarket. Meat is packed on site and origin clearly

indicated. Below: frozen poultry displays in a supermarket.



Most commonly meat is either sold loose for packaging on site, or plastic trays with flexible plastic wrapping. Very occasionally, e.g. for some frozen poultry products, folding cartons may be used. Indications of origin, such as flags, may be placed on packaging.



Above: meat packaged in plastic trays. Country of origin is marked through flags on the label.

Price-based promotion may occasionally occur on imported products.

Below: price promotions on imported fresh meat products at a supermarket meat counter.



Images © Euromonitor International / Agra CEAS, 2023.

Recent market trends

The fresh meat market is forecast to continue to grow in coming years, as was seen in the previous section. Poultry will remain the fastest growing meat and will therefore continue to dominate the market, accounting for around $\frac{3}{4}$ of meat consumed by volume. The food service segment in particular is expected to grow, with opportunities both in the fast food sectors and at the high end. The former notably includes opportunities for chicken cuts, with different cuts being popular in different outlets, including notably Shawarma restaurants. The latter is expected to benefit from efforts to expand the tourist industry.

5.1.3 Offer

Domestic production

As is the case with consumption, poultry dominates poultry production in Saudi Arabia. 2021 production was 910 000 tonnes according to official sources, giving the country a

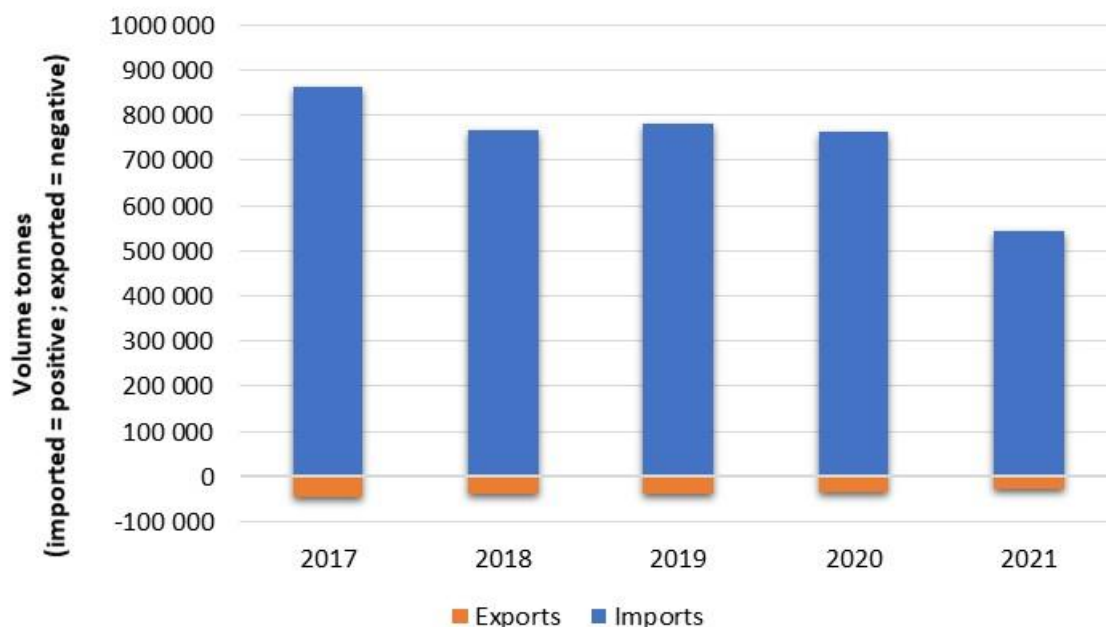
self-sufficiency level in poultry of between 60 and 70%. It is the intention of the country to boost this self-sufficiency level to 85% in the coming years up to 2030. Production of poultry is almost exclusively focused on chicken rather than other species. Al Watania is the largest poultry producer in the country, producing close to 1m chickens per day. Alyoum is another large producer with an annual production of around 180 000 tonnes; and plans to double this over the coming five years. Overall, domestic production is quite highly concentrated; the largest ten producers account for around 95% of production. With high local production costs, production has been subsidised (until recently through feed import subsidies and more recently through financial payments to poultry producers).

Production of other meats is much lower. Beef production is around 40 000 tonnes, with production ramping up to level over the last 30 years. Production of sheep and goat meat is estimated at about twice this level. Sheep farming has a long tradition in Saudi Arabia, with production adapted to the harsh environment and quite fragmented.

Imports and exports

As can be seen in Figure 5-2 below, Saudi Arabia is a strong net importer of fresh meat. Imports were just under 550 000 tonnes in 2021, compared to exports of around 25 000 tonnes. However, the level of imports has fallen significantly in recent years from a peak of around 850 000 tonnes in 2017. The strong increase in domestic poultry production is a major reason for this.

Figure 5-2: Trade balance (imports and exports) of fresh meat in Saudi Arabia, 2017-21; volume tonnes



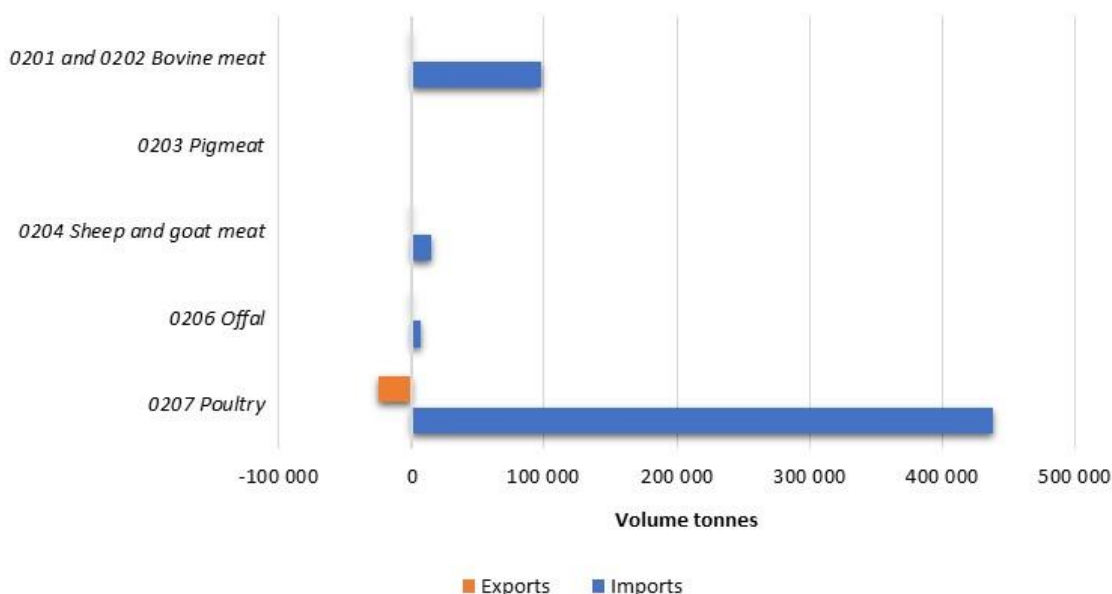
Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN codes 0201, 0202, 0203, 0204, 0206, 0207.

Figure 5-3 shows the categories of fresh meat imported and exported by Switzerland. Poultry is by far the most imported fresh meat product at around 430 000 tonnes in 2021. It is also the meat category of which Saudi Arabia has notable exports, though at around 25 000 tonnes these are dwarfed by the massive imports. Bovine meat is the second most

imported category at just under 100 000 tonnes. Small volumes of sheep/goat meat and offal imported.

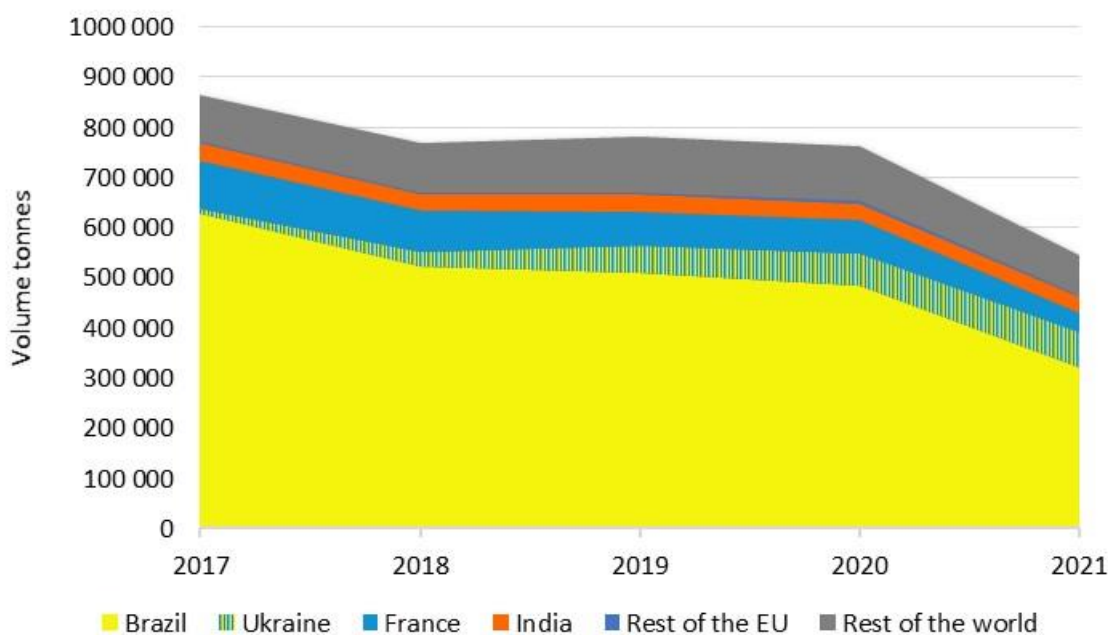
Figure 5-3: Trade balance (imports and exports) of fresh meat in Saudi Arabia, by type, 2021; volume tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN codes 0201, 0202, 0203, 0204, 0206, 0207.

Figure 5-4 shows, Brazil is by far the largest exporter of fresh meat to Saudi Arabia, with around 320 000 tonnes of fresh meat exported by the country to Saudi Arabia in 2021. However, the volume of Brazilian exports has almost halved over the last five years from around 630 000 tonnes in 2017. Brazil's strong position is due to its poultry meat exports (290 000 tonnes in 2021 – around 90% of all the meat it sends to Saudi Arabia; with price-competitive production and poultry weights tailored to Saudi consumer preferences strong tailwinds for Brazilian exports. However, exports have been hit in recent years due to several bans on Brazilian poultry slaughterhouses by SFDA, primarily justified by reasons of hygiene (salmonella outbreaks) While the overall level of meat imports has fallen in recent years, the bans help explain why Brazil's exports have fallen more quickly over the same period. Ukraine has benefited from this to become the second largest exporter, with the entirety of the country's exports accounted for by poultry meat. France is the third largest exporter due to its poultry meat exports, though these have also been hit by some SFDA bans in recent years (justified by HPAI outbreaks). India is the fourth largest exporter due to its leading position in bovine exports. Other notable bovine meat exporters are Brazil and Australia.

Figure 5-4: Saudi imports of fresh meat by country, 2017-21; volume tonnes

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN codes 0201, 0202, 0203, 0204, 0206, 0207.

EU GI products

As noted in section 4.2.4, there is currently no agreement in place between Saudi Arabia and the EU on GIs. However, there is the possibility for GIs to be registered as collective marks or control/certification marks in Saudi Arabia. Interested exporters should consult their GI body to check whether or not this has been done / is being considered.

Main competitors

First and foremost, the competition must be considered against the background that the market is dominated by poultry. Within the poultry sector, two major competitors stand out, offering very different propositions. Firstly, Brazil historically has been a major supplier of poultry meat for Saudi Arabia, and it continues to dominate poultry exports despite both falling volumes and a falling share in recent years. Brazilian poultry exports have historically had a lower price and as they are imported frozen, tend to be used by the food service industry. Secondly, there is significant – and more important, growing – domestic poultry production. Saudi Arabia is now between 60 and 70% self-sufficient in poultry meat, and the country aims to reach a level of 85% shortly. This effort is being supported by the ongoing expansion of various large poultry farms. Saudi production is fresh but more expensive; and subsequently, with consumer preferences for fresh poultry, it dominates the retail sector.

Looking at other meats, the primary competition in the bovine meat sector comes from imports (self-sufficiency is only around 1/3). India has the strongest position and accounts for around 30% of imports by volume. Brazil and Australia are other notable exporters. The sheep and goat meat sectors are dominated by local production.

5.1.4 Specific market entry requirements

Market Access and Entry

Countries must be approved for the export of a meat type to Saudi Arabia; and furthermore, foreign meat manufacturers must be accredited by the SFDA. A list of the countries permitted to export plus the establishments accredited, by country, for different types of meat can be found at the following link: https://www.sfda.gov.sa/en/list_countries_products

A summary table of authorised EU countries with accredited establishments for the main three meat types, based on the above link as of 7 February 2023 can be found below. It should be remembered that imports of pig meat into Saudi Arabia are entirely prohibited.

	Bovine	Poultry	Ovine
BE	X		
DK	X	X	
FR	X	X	
HU	X		
IE	X	X	X
IT	X		X
NL	X		
PL	X	X	
PT	X		X
ES	X		X

It should be noted that there are continued challenges with beef from the EU due to BSE; and only the ten countries listed in the table above have had BSE related restrictions removed.

There are various requirements for the import of fresh meat products, as outline in Table 4-2. These include: Veterinary release and health certificates, a halal certificate and various registrations requirements on the part of the importer. These are in addition to the general import requirements set out in Table 4-1.

Tariffs for imported fresh meat vary based on meat type and, to an extent the cut. In very broad terms:

Poultry meat faces tariffs of 15-20%, and minimum quantity tariffs may also apply.

Other meats face tariffs of between 0% and 6%.

Please consult the link below for full details.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – poultry category (0207) from France to Saudi Arabia

<https://trade.ec.europa.eu/access-to-markets/en/results?product=020711&origin=FR&destination=SA>

Standards, SPS measures, labelling

The SFDA published a document in 2020 which summarises the rules and regulations for imported meat. This can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-08/RulesRegulationsImportingMeatE.pdf>

GSO 996:2021 is applicable to livestock meat, chilled and frozen. It can be purchased at the following link:

<https://www.gso.org.sa/store/standards/GSO:781140/GSO%20996:2021>

GSO 322:2016 is applicable for chilled chicken. A new standard for chilled and frozen chicken had been drafted by the GSO but is not yet marked as in force. This standard is available on the SFDA website at the following link:

https://www.sfda.gov.sa/sites/default/files/2019-06/ChilledChickenFrozen_0.pdf

As noted above, there have been continuing challenges regarding market access for beef; though the ten countries listed above are now authorised to export.

Meat imports must be accompanied by a halal certificates issued by a certification body accredited by SFDA; with accordance with the procedures set out in GSO 993. A list of these accredited bodies can be found at the following link: <https://api-halal.sfda.gov.sa/uploads/Clients/1a84da6c-bdc9-4fa5-9d53-f05a0d860084.pdf>

Notable EU-based accredited bodies include:

- Total Quality Halal Correct Certification-TQHCC - NL
- Halal Quality Control BV Control Office of Halal Slaughtering BV - NL
- Halal Feed and Food Inspection Authority - NL
- Polski Instytut Halal (Polish Institute of Halal) - PL
- Halal Correct Poland - PL
- Islamic Information Documentation and Certification GmbH (IIDC) – HU
- RACS GmbH – DE
- Halal Quality Control (HQC) GmbH – DE
- Halal Control GmbH – DE
- Islamic Information Documentation and Certification GmbH (IIDC) – AT
- Halal Quality Control – FI
- UAB World Halal Trust – LT
- Halal Quality Control Ireland LTD (HQC) – IE
- Halal Quality Control – DK
- Halal Italia – IT
- Halal Quality Control (HQC) – FR
- Halal Correct France – FR
- Halal Food Council of Europe – BE
- Halal Quality Control Belgium (HQC) – BE
- Halal Assurance and Quality Greece HAQ-GR - EL

5.1.5 Distribution

Retail accounts for 55% of poultry by volume and just under 50% of red meat. Modern grocery outlets (supermarkets and hypermarkets) account for the largest part of retail sales, though there are specialist outlets which also account for a large part of sales. These specialists outlets include: butchers, specialised poultry sellers, and poultry

producers' own retail stores. Typically, butchers offer a slightly lower retail price than supermarkets (5-10%), while specialised poultry stores and producers' own stores offer an even lower price (10-15% less than supermarkets). In the case of red meat, modern retail outlets have a particularly strong position - around 60% of retail sales - due to their ability to offer a wide range of products (cuts, brands and origins). Increasingly, modern retailers include butchery sections where red meat products can be cut to consumer demand.

Food service accounts for 1/3 of poultry by volume and just under 40% of red meat. The higher importance of food service for red meat can be explained by the greater popularity of poultry for home cooking.

5.1.6 Challenges for EU products

EU producers face a variety of challenges when exporting to Saudi Arabia. Firstly, there is a clear preference for fresh meat among retail consumers, which gives local Saudi producers a clear advantage – particularly given that consumers have shown a willingness to pay a higher price for fresh, Saudi-produced meat. Secondly, the competitive backdrop is challenging; self-sufficiency in poultry is on the rise and though Brazil's grip on the import market has somewhat weakened in recent years, it remains a force. Thirdly, there are legislative challenges. Chief among these are bans introduced by SFDA on imports from certain facilities. Brazilian facilities have suffered the most in recent years, though some French facilities have been impacted as well. It should also be noted that halal requirements are strict, with a ban on water baths stunning for poultry implemented recently for Halal-related reasons.

Market Takeaway: Fresh meat

Consumption: Poultry dominates the consumption of fresh meat (over 80%). There is a strong preference for fresh whole chickens around 1kg in weight among retail consumers.

Competition: Two-pronged. Strong and growing domestic production of poultry meat; and a high (though decreasing) level of imports from Brazil.

Distribution: retail accounts for the largest part of meat distribution, and among retailers, supermarkets and hypermarkets have the strongest position. However, specialist retailers are also popular.

Challenges: Competition is strong and only likely to increase. Consumer preferences for fresh, domestic meat through retail channels. Some market access challenges.

Opportunities: growing demand across most fresh meat categories. The food service segment looks particularly interesting due to forecast increasing demand across the segment (i.e. at both low and high ends) and an acceptance of frozen imported products.

5.2 Fresh fruit and vegetables

5.2.1 SWOT analysis

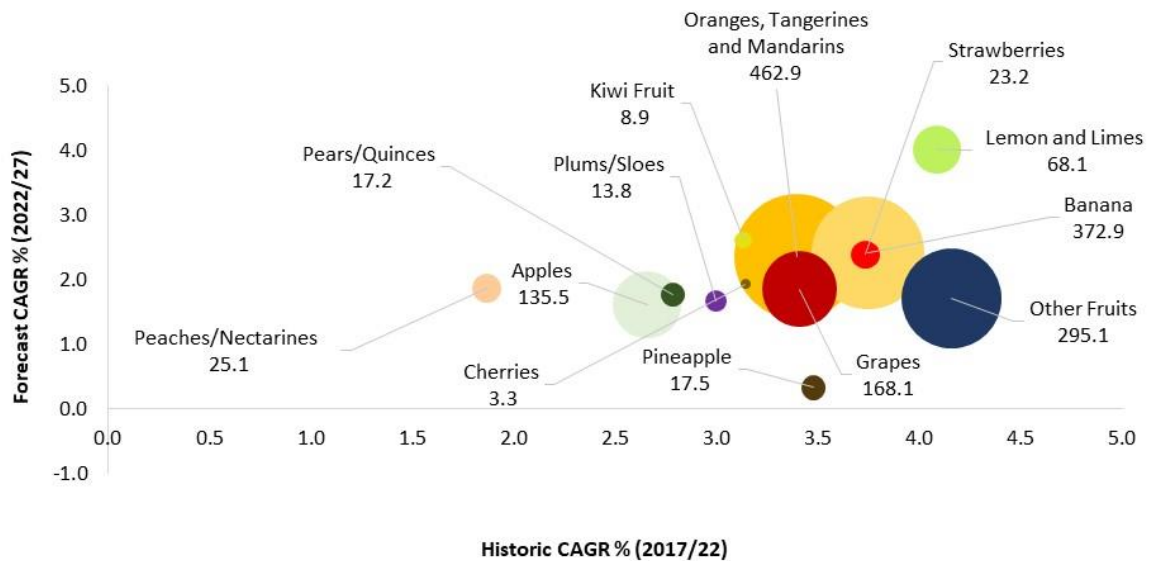
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ The desert climate of the country hampers the production of a wide variety of fruit and vegetables requiring them to be imported from abroad. ▪ The population is increasingly health conscious and aware of the health properties of fruit and vegetable consumption. ▪ The influential government of Saudi Arabia is pushing to raise the overall per capita consumption rate of fruit and vegetables. 	<ul style="list-style-type: none"> ▪ Many fruit and vegetables from the EU do not have a culinary history of usage in Saudi Arabia meaning they are rarely incorporated into traditional dishes. ▪ Dates are among the most consumed fruits in the country but also the most produced fruit. ▪ Per capita consumption rates remain behind other gulf states such as Bahrain and the UAE.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Spike in demand for fruit and vegetables in the country towards the end of Ramadan. ▪ Consumers increasingly seeking premium products which are aiding demand for conventional and organic EU fruit and vegetable products. ▪ The income per capita is growing in the country allowing lower-income earners to increasingly seek out a wider variety of fruit and vegetable products. 	<ul style="list-style-type: none"> ▪ Saudi Arabian domestic production is growing and aided by government initiatives and subsidies to producers. ▪ Saudi Arabia is still highly vulnerable to price hikes in the fruit and vegetable sector with major price hikes occurring as recently as 2018. ▪ The EU lags behind other exporters such as the US, South Africa and Egypt in terms of exports of fruit and vegetables to Saudi Arabia.

5.2.2 Consumption

Evolution of consumption

Figure 5-5 below shows that oranges, tangerines and mandarins are the largest fruit category in Saudi Arabia with a total consumption volume of 462 000 tonnes. This category grew by a CAGR of 3.4% between 2017 and 2022 and is further forecast to grow by a CAGR of 2.4% between 2023 and 2027, which will see it remain the largest fruit category consumed in Saudi Arabia by volume. Bananas are the second largest fruit category consumed in Saudi Arabia with a total volume of 372 000 tonnes. Bananas are forecast to grow at a CAGR of 2.4% between 2023 and 2027 and will remain the second-largest fruit category by volume in the country. The “other fruit” category has a total consumption volume of 295 000 tonnes and is forecast to grow by a CAGR of 1.7% between 2023 and 2027; the popularity of dates explains the size of this segment. Grapes (168 000 tonnes), lemons/limes 68 000 tonnes) and peaches/nectarines (25 000 tonnes) are the next biggest fruit categories by volume. The fastest-growing fruit category between 2023 and 2027 will be lemons and limes which are forecast to grow at a CAGR of 4%

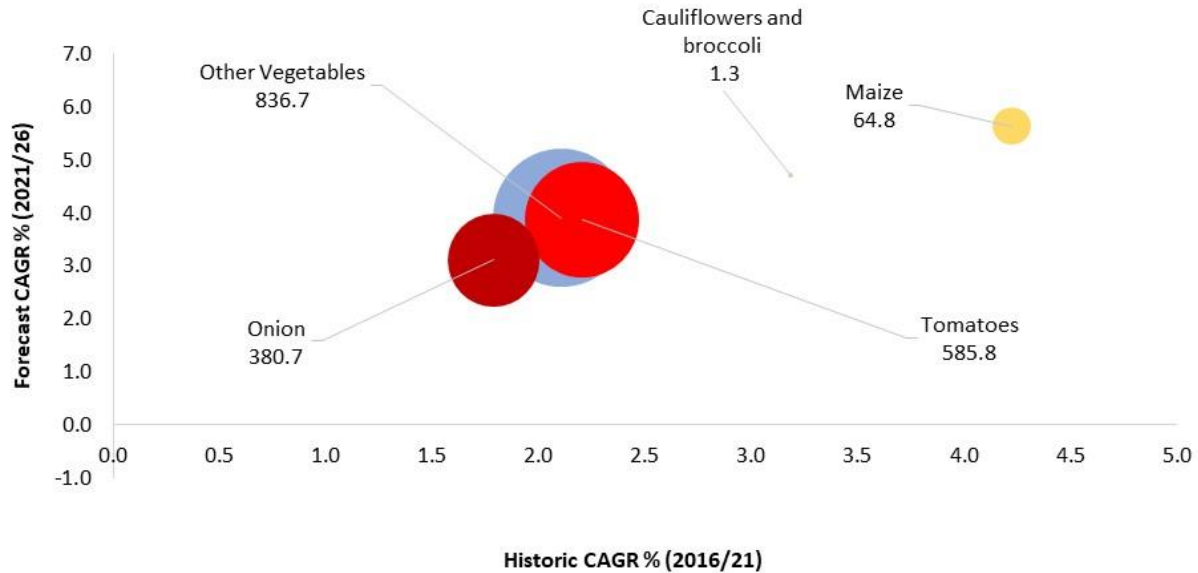
Figure 5-5: Evolution and forecast of the fruits market in Saudi Arabia, 2017-2027 (000 tonnes)



Source: Euromonitor International: Fresh Food, 2022.

Figure 5-6 below shows that the other vegetable category is the largest in Saudi Arabia with a total consumption volume of 896 000 tonnes. This category is expected to grow by a CAGR of 3.1% between 2023 and 2027 which will see it remain the largest vegetable category consumed in Saudi Arabia. Tomatoes are the largest single vegetable category consumed in Saudi Arabia with a total volume of 629 000 tonnes. Onions have a total consumption volume of 408 000 tonnes and are the third-largest vegetable category. Maize follows with a total volume of 70 000 tonnes. Cauliflowers and broccoli are the smallest vegetable category consumed in Saudi Arabia with a total volume of 1 400 tonnes.

Figure 5-6: Evolution and forecast of the vegetable market in Saudi Arabia, 2017-2027 (000 tonnes)



Source: Euromonitor International: Fresh Food 2022.

Consumers

The total consumption of fruits in Saudi Arabia is around 76 kg per person which is average for the Middle Eastern region, although total consumption per capita lags behind other gulf states such as the UAE and Bahrain. Fruit consumption in the country has never been a main feature of the country's culinary tradition as the harsh climate of the country has limited the country to producing only a small variety of fruits such as dates. The rise of incomes for Saudi consumers coupled with the rise of imports of fruits to the country has opened up the market to new fruits such as apples and bananas which are now among the most popular in the country. Middle-aged and younger consumers are the premier consumers of imported fruit products as these consumers are more accustomed to consuming imported fruit varieties which were often unavailable to older consumers growing up, which in turn has led to older consumers often preferring to consume more traditional fruits such as dates.

Vegetable consumption in Saudi Arabia like fruit hovers around the Middle Eastern average at 63 kg per person. Per capita vegetable consumption in Saudi Arabia does however lag behind the gulf states as is the same situation for fruits and like fruits, the harsh climate of Saudi Arabia coupled with the need to import a large amount of domestically consumed vegetables helps to explain why this is the case. Consumers of a middle-age and younger are the most exposed Saudi generation ever to vegetable products as mass production of vegetables in the country only began to occur around the 1980s and rising incomes amongst this age bracket facilitated increased imports of vegetables into the country from abroad. As a result, middle-aged and younger consumers are the key consumer group of vegetables in the country as they are more informed about various vegetable products of domestic and imported varieties and the health benefits attached to them. Older consumers appreciate the health properties of fresh vegetables and are most likely to consume onions and tomatoes which have grown to be key

compliments to traditional Saudi Arabian dishes such as *kabsa*.

Drivers and method of consumption

As indicated, key drivers of fruit and vegetable consumption in Saudi Arabia in recent years have been the expansion of domestic production, rising incomes and the westernization of the Saudi diet. Saudi Arabia has invested heavily in technologies and infrastructure projects which allow for the production of a wider variety of fruit and vegetable products within the country, even though total production continues to lag behind domestic demand, efforts to expand domestic production have allowed for a wider variety of fruit and vegetables within Saudi retailers at a more competitive price for consumers. Rising incomes in the country further have made imported fruit and vegetable products more obtainable for the average Saudi consumer which in turn is acting as a key driver of consumption in the country. The increasing westernisation of the Saudi diet has facilitated the growth in demand for certain fresh fruit and vegetable products such as apples, bananas, lemons, potatoes, and tomatoes in the country. Fruits are often consumed by themselves as a snack product although dates in particular are commonly added to larger dessert dishes such as *Al-Heleena*. Dates are also commonly placed within a hot tea and drank by Saudi consumers.

Purchase criteria

Consumers are accustomed to spikes in prices around the end of Ramadan demand for fruit and vegetable peaks at this time of the year as fasting comes to an end. Outside of the end of Ramadan, prices are relatively affordable for most consumers for example a banana will generally cost around SAR 6.95 per kg (EUR 2.47) which is also the price range for most fruit and vegetables which have been imported from abroad. That said, prices are highly variable and political or climatic disruptions of the supply chain of fruit and vegetable exports can lead to a spike in prices as seen in 2018.²⁴

Outside of price, consumers will often inspect any fruit and vegetable products for visual imperfections; however minor imperfections are unlikely to cause consumers to be dissuaded from purchasing. Origin plays a minor role as many consumers are accustomed to a wide variety of fruit and vegetables which have arrived from abroad. Lower to middle income consumers may be more attracted to domestic fruit and vegetables or those from neighbouring countries due to their perception that these products are cheaper. Arab expatriates are also more likely to consume these products out of habit. Higher income consumers and western expats on the other hand are more likely to consume more exotic fruit and vegetables, and may value products from origins that they associate more with the product in question (French apples being one example of this).

²⁴ 200 percent rise in fruit and vegetable prices, The Saudi Gazette, available at <https://saudigazette.com.sa/article/534950>

Fruit and vegetables on retailers' shelves in Saudi Arabia

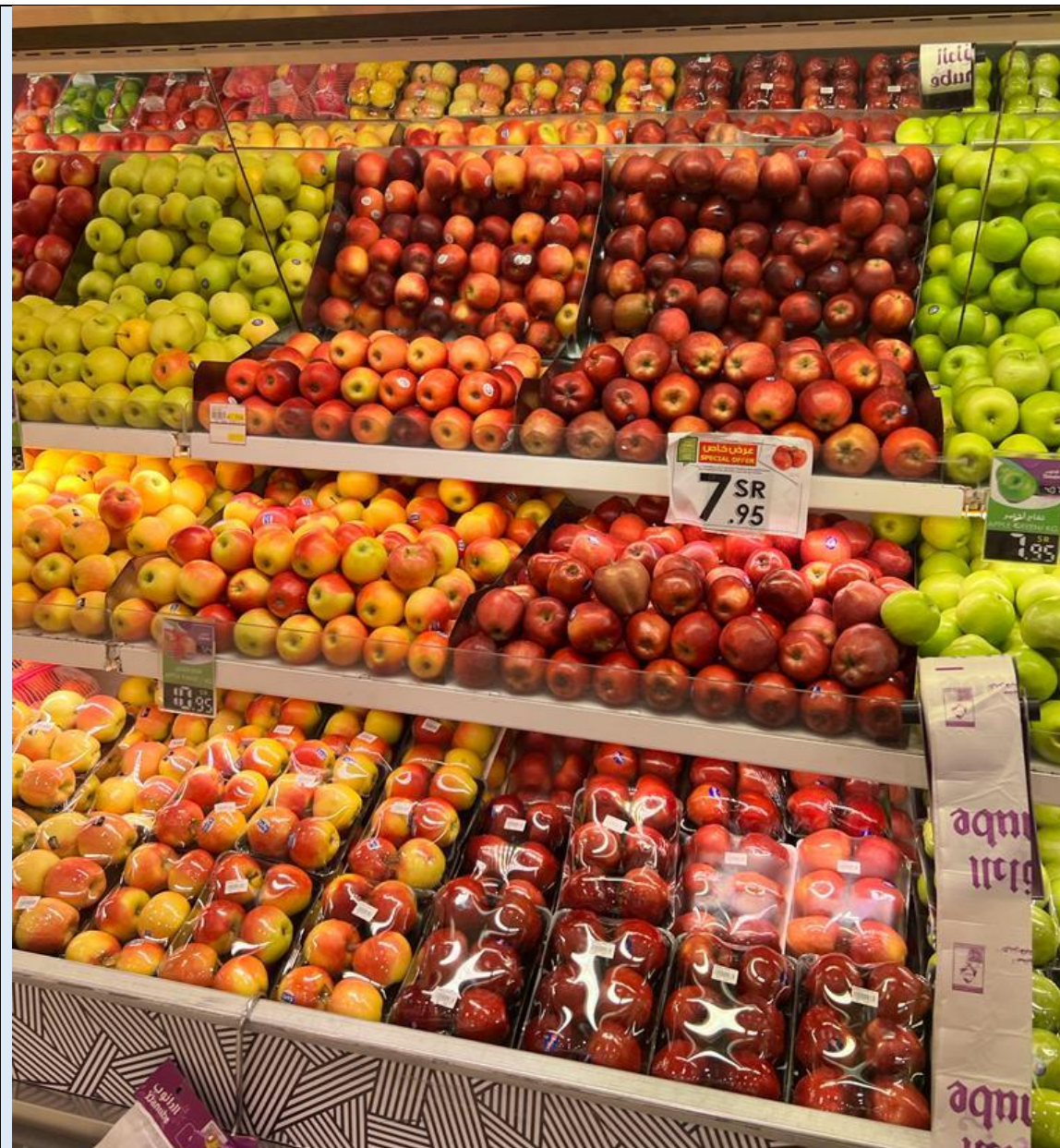


Imported fresh fruit and vegetable pricing and market segmentation depends more on the type of fruit/vegetable than anything else. Imported apples, for example, are more likely to target the mid-range segment, with retail prices of around SAR 10 (EUR 4) per kg. Salad vegetables (e.g. lettuce, mixed leaves) and berries on the other hand tend to retail for upwards of SAR 10 (EUR 4) per 100g (SAR 100 per kg equivalent). Price promotion is not particularly common.

The use of flexible plastic packaging is fairly commonplace for fruit and vegetables (sometimes in combination with plastic trays), though some products are sold loose.



Above: pre-packed vegetables in a supermarket. Below: loose and pre-packed apples for sale in a supermarket.



It is not unusual to see organic indications on products targeting the premium segment.



Images © Euromonitor International / Agra CEAS, 2023.

Recent market trends

Increasing demand for a wider variety of fruit and vegetable is driving the growth of what have been rather niche fruit and vegetable products in Saudi Arabia such as lemons and limes, bananas and oranges. The westernisation of many aspects of the Saudi diet has impacted the fruit and vegetable sector with demand for organic fruit and vegetable products growing in recent years as consumers increasingly seek out premium products in the country.

Saudi Arabia is expanding its capacity to produce fruit and vegetables domestically. For example, the Green initiative aims to combat desertification and rehabilitate degraded land; and as part of this, just under 50m fruit trees are being planted in the period up to 2030. The Saudi Agricultural Development fund has also recently granted around SAR 300m (EUR 75m) to fruit and vegetable farmers to help increase production, as well as offer other forms of assistance; including awareness-raising of the benefits of fruit and vegetable consumption, and more notably of the seasonal consumption of local produce. In the private sector, there are initiatives, sometimes including foreign partners, to set up smart farms. Overall, these efforts and other are bringing down costs in the country and further shielding the country from foreign disruptions of the fruit and vegetable supply chain which has led to price hikes previously in the country. This has allowed lower-income earners to increasingly purchase a wider variety of fruit and vegetable products which is further aiding the rise in domestic consumption of fruit and vegetable in Saudi Arabia.

5.2.3 Offer

Domestic production

Historically, the production of fruit and vegetables in Saudi Arabia was focused on the variety of these products which are best suited for the desert climate such as dates. However, with the expansion of irrigation methods coupled with the rapid expansion of the usage of greenhouses, it is now possible to produce a wide variety of fruit and vegetables within Saudi Arabia. Indeed, fruit production is now estimated to be close to 3m tonnes, a three-fold increase from the 1m tonnes produced around ten years ago. Vegetable production is around 1.6m tonnes.

Dates remain the most-produced fruit and vegetable product with Saudi Arabia being the world's second-largest producer of this product behind Egypt. Watermelons are also mass-produced in Saudi Arabia (over 600 000 tonnes) while tomatoes (around 300 000 tonnes) and potatoes (around 500 000 tonnes) are the main vegetables produced in the country. Other notable fruit and vegetables produced include: pepper (around 100 000 tonnes) and melon (a bit over 50 000 tonnes). Citrus fruits, grapes, eggplants mangos are also produced to a notable extent.

Going forward, the modernization of the country's agricultural sector coupled with government investment will be the two main pillars upholding the Saudi fruit and vegetable production sector. More details on some of the initiatives being performed can be found in the previous section. Nonetheless, despite these considerable efforts the country will remain heavily reliant on imports.²⁵

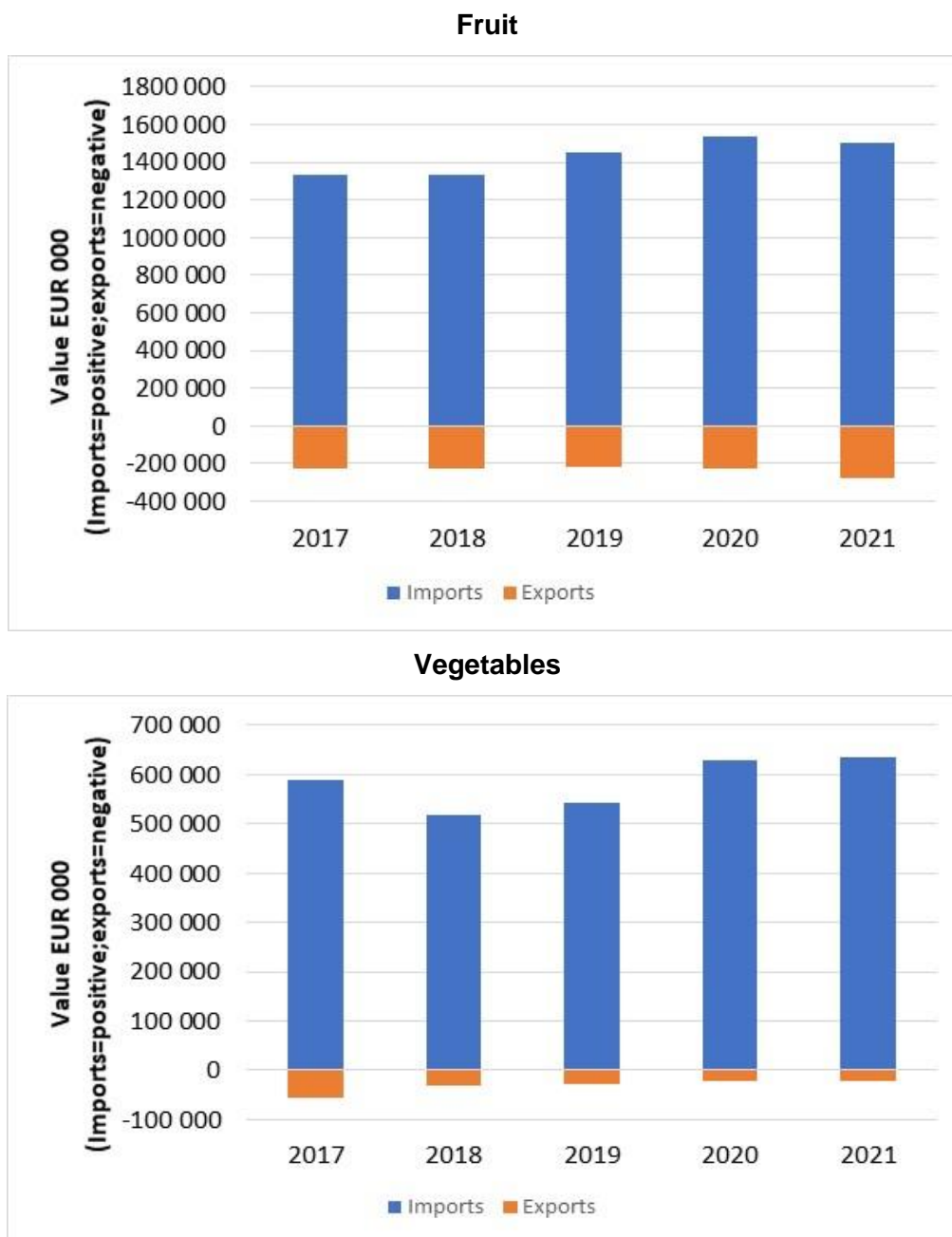
²⁵ Saudi Arabia: Fruit production up 194% in six years ,Fresh Plaza, available at<https://www.freshplaza.com/europe/article/9373279/saudi-arabia-fruit-production-up-194-in-six-years/>

Imports and exports

Figure 5-7 shows that Saudi Arabia has a large trade deficit in fruits. In value terms, the country imported a total of EUR 1.4 billion in 2021, which has been roughly the same figure for the preceding five years. Total fruit exports came to a value of EUR 279 million in 2021 and were almost entirely accounted for by dates.

Saudi Arabia also has a substantial trade deficit in vegetables. In 2021 Saudi Arabia imported fruit to a total value of EUR 635 million. The country exported a total of EUR 22 million worth of vegetables in 2021.

Figure 5-7: Trade balance (imports and exports) of fruit and vegetables in Saudi Arabia, 2017-21 (total value, EUR 000)



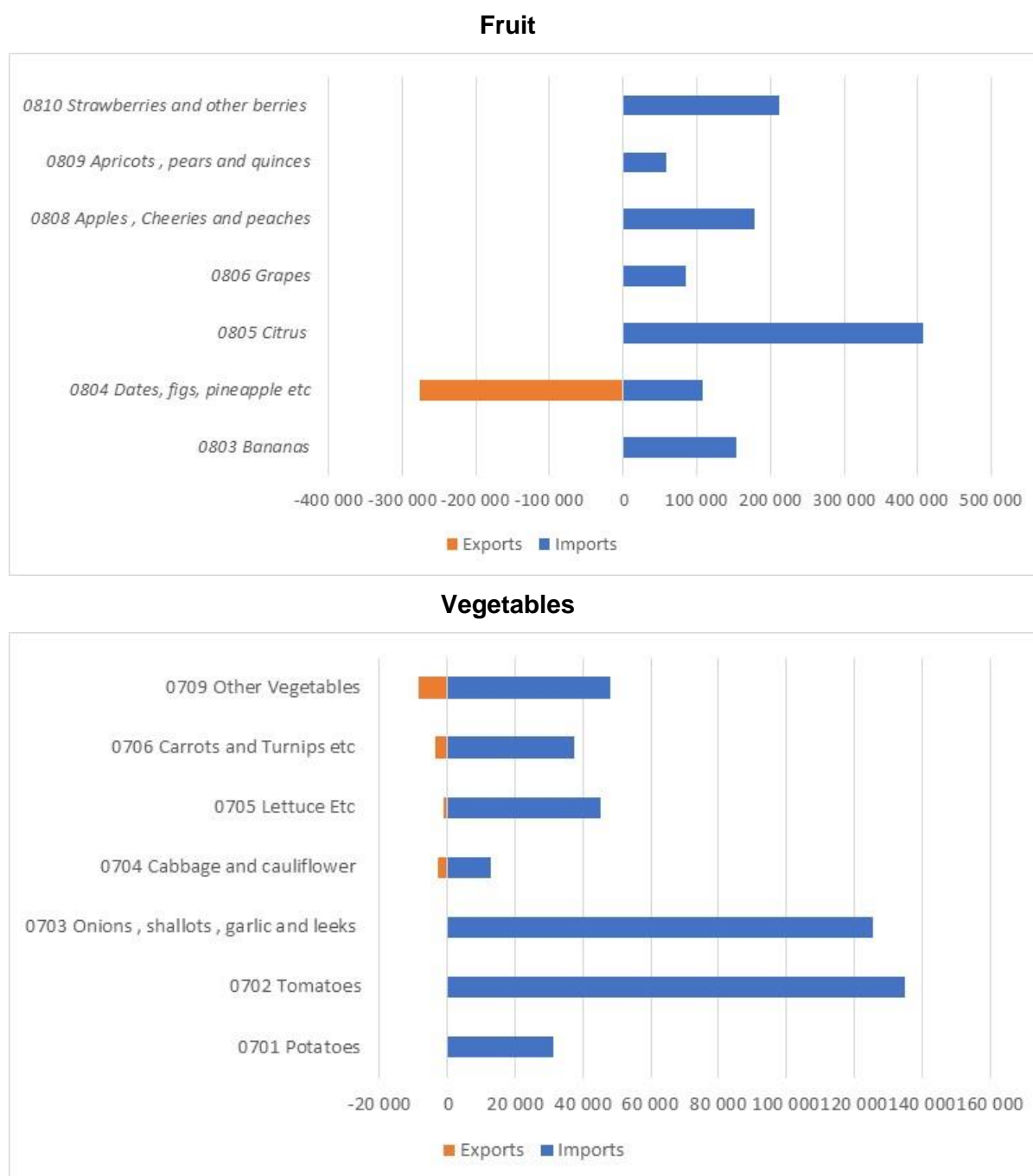
Data for CN code 07 and 08.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Figure 5-8 below shows the breakdown of trade for each fruit and vegetable category in value terms. It can be observed that citrus fruits are the largest fruit category imported by the country, worth a total of EUR 407 million in 2021. Strawberries and other berries were the second-highest imported fruit category, worth a total of EUR 212 million in 2021. Apples, cherries and peaches imports came to a value of EUR 178 million followed by bananas with a total value of EUR 153 million. Tomatoes were the largest vegetable products imported by the country with a total import value of EUR 134 million. Saudi

Arabia's largest exported fruit is the dates, figs and pineapples category (although mainly dates), worth a total of EUR 275 million in 2021, while the largest exported vegetable are vegetables from the other vegetable category, worth around 8 million.

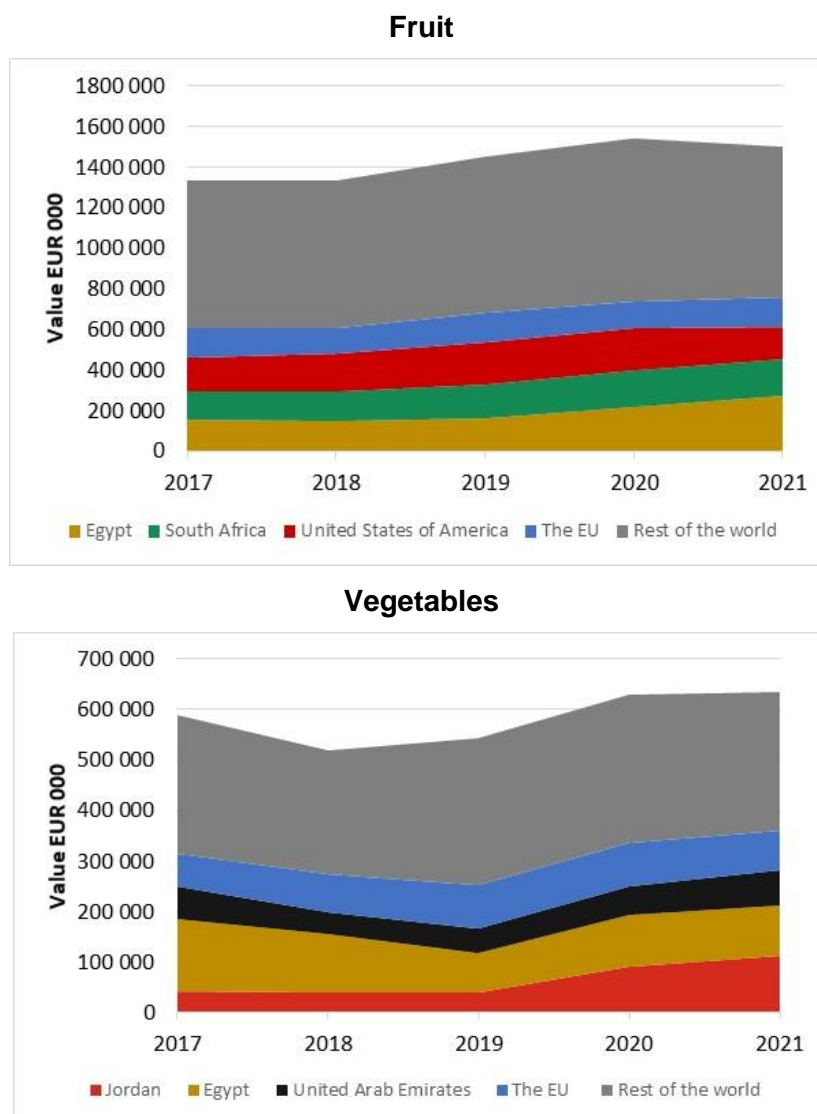
Figure 5-8: Saudi Arabian trade balance of fruit and vegetables by type, 2020 (000 EUR; selected types only)



Note: names for CN codes are abbreviated in most cases. Only indicated CN codes are presented here. 6 codes for fruit and 7 codes for vegetables are missing, which is why individual figures do not add up to the totals in previous graphs. Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

In terms of origin (Figure 5-9), Egypt is the largest fruit exporter to Saudi Arabia in value terms, with exports worth EUR 267 million. South Africa is the second-largest fruit exporter to Saudi Arabia with exports worth EUR 184 million, followed by the US with EUR 161 million. The largest EU fruit exporter is Italy, with exports worth EUR 70 million - mainly apples, peaches and cherries. Jordan is the largest vegetable exporter to Saudi Arabia with a total value of EUR 112 million. Egypt is the second largest with a total export value of EUR 98 million followed by the UAE with a total export value of EUR 69 million. The largest EU vegetable exporter to Saudi Arabia is Spain, with exports worth EUR 30 million - mainly tomatoes.

Figure 5-9: Saudi Arabian imports of fruits and vegetables by country, 2017-21 (000 EUR)



Data for CN code 07 and 08.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

EU GI products

As noted in section 4.2.4, there is currently no agreement in place between Saudi Arabia and the EU on GIs. However, there is the possibility for GIs to be registered as collective marks or control/certification marks in Saudi Arabia. Interested exporters should consult their GI body to check whether or not this has been done / is being considered.

Main competitors

The main competition for EU producers comes from other large fruit and vegetable producers from across the globe and a selection of other countries from the Middle East. Egypt is the largest exporter of fruits to the country and is also the second largest exporter of vegetables which makes it a clear competitor for EU fruit and vegetable products. Other nations of note that present major competition for EU products in this sector include Jordan, the US, South Africa, the UAE and India. While domestic production is ramping up, it will remain primarily concentrated on certain products such as dates – so primarily competition for fruit and vegetables exported by the EU will continue to be from the other countries listed above.

5.2.4 Specific market entry requirements

Market Access and Entry

The required documents to export products are set out in section 4.2. In addition to the general documents required to export food and beverage products to Saudi Arabia (Table 4-1), there are a variety of requirements specific to fruit and vegetables (Table 4-2). These include most notably: registration as importer of agricultural goods with Ministry of the Environment, Water and Agriculture; registration with the Saudi Food and Drug Authority (SFDA); a permit to import plant and plant products; and a phytosanitary certificate.

SFDA had announced the intention to introduce facility registration for horticultural products, but this was subsequently suspended; and at the time of writing, fresh horticultural products do not feature as a category on the SFDA's website of country list and facility accreditation approvals. It is recommended that the latest status of this requirement be checked with partners prior to any export.

In terms of tariffs, fresh fruit and vegetable products are generally subject to tariffs, but preferential tariffs are in place for certain fresh fruit (apples, peaches, citrus and other fruit) within certain quantitative limits (see Table 4-3).

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – citrus fruit category (0808 10) from Spain to Saudi Arabia:

<https://trade.ec.europa.eu/access-to-markets/en/results?product=080810&origin=ES&destination=SA>

Standards, SPS measures

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

As mentioned above, a phytosanitary certificate and a radiation certificate are required to export fruit and vegetables to Saudi Arabia. The authority responsible for phytosanitary control in Saudi Arabia is the Ministry of the Environment, Water and Agriculture. A radiation certificate from a lab from the country of export may be accepted if all the required conditions are met.

GSO 123:1990 is the GSO standard for fresh fruit and vegetables. The standard can be purchased at the following link:

<https://www.gso.org.sa/store/standards/GSO:480314?lang=en>

The SFDA had announced a labelling requirement for horticultural products, linked to the aforementioned intention to introduce facility registration. However, as noted above, the facility registration requirement was put on hold and it is recommended that the status of this provision be checked prior to any export (as well as the applicability of this related labelling requirement). For reference, the information to be included based on this labelling requirement is indicated below:

- Fruit name
- Quality grade
- Brand
- Exporter name and address
- Importer name and address
- Gross and net weights (KG)
- Count
- Country of origin
- Packing date

5.2.5 Distribution

Roughly 80% of all fruit and vegetables in Saudi Arabia are sold through the retail channel, with most of the rest passing through the food service sector. Among retail channels, hypermarkets and supermarkets are the most important channel; they account for an estimated 60 to 65% of fruit and vegetable distribution. While imported products are widely available through this channel, increasingly supermarkets and hypermarkets sell local produce (and have initiative to promote it). Local traditional retailers, such as small independent grocery stores, fruit and vegetable stands, and mobile vendors account for around 30% of retail sales. Other channels, including the growing e-commerce channel, account for the balance of retail sales. Notable e-commerce players in the fresh fruit and vegetable space include: Fresh&Natural, Vitamin, Qareeb and Sharbatly.club.

It is worth noting that wholesale markets play an important role in the overall distribution chain for fruit and vegetables in Saudi Arabia. The wholesale market system, operated by the Ministry of Environment, Water and Agriculture (MEWA), includes 17 central wholesale markets across the country.

5.2.6 Challenges for EU products

The main challenge for EU producers relates to competing with other large fruit and vegetable producers such as Egypt, South Africa and the US. This is further coupled with the desire from the Saudi government to expand its production sector of fruit and vegetables which is in line with the growing desire for the country to increase food security. Various initiative have been and continue to be performed in this regard and domestic production has greatly increased as a result. The issue, to the importer, of an import permit is dependent on local market requirements for the product, which ultimately links it back to the level of domestic production of the fruit or vegetable product in question.

Saudi consumers continue to have lower rates of per capita consumption of both fruit and vegetables compared to other gulf states such as Bahrain and the UAE which is also an additional challenge for producers to take note of. However, on the flip side that provides the potential for growth, and indeed total consumption is growing in the country as is the population making the market an interesting one for EU producers. Gaining approval from the SFDA can cause issues which also need to be observed.

Market Takeaway: Fresh fruit and vegetables

Consumption: Consumption of fruit and vegetables in Saudi Arabia is in line with the Middle Eastern standard rate of per capita consumption however rates are behind other gulf states such as Bahrain and the UAE. Middle-aged and younger consumers are the key consumer group as this group of consumers is more accustomed to consuming a wider variety of fruit and vegetable products.

Competition: Large fruit and vegetable producers such as South Africa, Egypt and the US are the biggest competitors for EU fruit and vegetable products in Saudi Arabia from outside of the country. Domestically, supply continues to lag behind domestic demand however production is growing as the government continues to invest in the modernisation of its fruit and vegetable production sector.

Distribution: retail accounts for around 80% of all fruit and vegetable distribution by volume, with food service accounting for most of the rest. Among retail channels, modern retailers have the dominant position though traditional retailers remain important.

Challenges: A lower rate of per capita consumption when compared to other nations in the region coupled with the rapid growth of domestic production stands as the bigger challenge in the Saudi Arabian market. Most fruit and vegetable products do not have a cultural history of consumption in Saudi Arabia which limits their usage in traditional dishes. Finally, gaining approval from the SFDA can be a hurdle towards entering the market.

Opportunities: Demand for fruit and vegetable spikes towards the end of Ramadan which can lead to price hikes of up to 20% for some products. Saudi Arabian per capita consumption is growing, and this coupled with population growth and the westernisation of consumption patterns plus a strong structural shortage makes the market an interesting one for EU fruit and vegetable producers.

5.3 Dairy

5.3.1 SWOT analysis

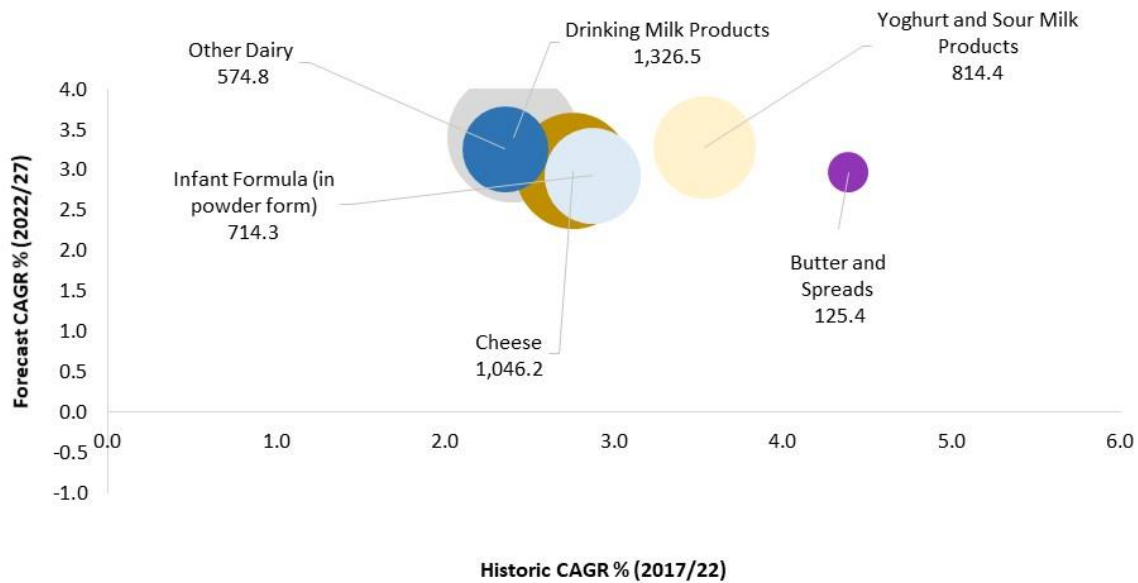
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ The dairy market is forecast to grow. ▪ The EU is a key exporter of dairy products such as buttermilk, cheese and whey while also a large exporter of other major dairy products. ▪ Saudi Arabia is one of the largest dairy markets in the region. 	<ul style="list-style-type: none"> ▪ Large-scale domestic production of yoghurt and unsweetened drinking milk. ▪ Logistical challenges of exporting dairy products to Saudi Arabia from the EU. ▪ Even though per capita consumption is relatively high and increasing, it is below EU levels.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Premium cheeses are growing in demand and are largely exported from the EU. ▪ Rising incomes are making EU dairy products more affordable for a wider segment of the population. ▪ The westernisation of the Saudi Arabian food and beverage consumption market, with increasing awareness of a number of specific EU cheeses. 	<ul style="list-style-type: none"> ▪ Production of various dairy products increasing due public and private initiatives; most notably of buttermilk and cheese. ▪ Competition from the UAE, Egypt, New Zealand and the US. ▪ Rising demand for organic, locally produced dairy products.

5.3.2 Consumption

Evolution of consumption

The dairy market in Saudi Arabia was worth about EUR 4.6 billion in 2022 (Figure 5-10). Drinking milk products are the biggest category, worth about EUR 1.3 billion, followed by cheese products with a value of around EUR 1 billion and yoghurt and sour milk products with EUR 574 million. The market size of butter and spreads was around EUR 125 million. In recent years, between 2017 and 2022, the butter and spreads sector grew at the highest CAGR of around 4.4%, followed by yoghurt and sour milk products with 3.5%. The market size of all other categories grew. The drinking milk category is forecast to be the fastest-growing dairy product between 2022-2027 with a forecasted CAGR of 3.1%. All other categories are also forecast to grow at around a CAGR each of between 3 and 3.4% over the same period.

Figure 5-10: Evolution and forecast of the dairy market in Saudi Arabia, 2017-2027 (retail value, EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumers

Consumption of dairy products in Saudi Arabia is common as many dairy products such as raw milk from camels and goats were traditionally consumed in the country. Consumption in Saudi Arabia is high which is also a reflection of the large expansion of domestic dairy products available to consumers in recent decades and the rise of awareness surrounding new and improved variants of traditional dairy products in the country. Below is a further breakdown of the key consumer groups by major dairy category.

Milk: Saudi Arabia is one of the main markets for milk producers in the Middle Eastern region. Per capita consumption rate in 2021 was 67 kg which is one of the highest rates in the region, and the country has one of the largest populations in the Middle East. A tradition of milk consumption coupled with the ban on alcoholic beverages which encourages the consumption of beverages which compliment milk such as tea and coffee are amongst several factors behind why milk consumption is higher in Saudi Arabia than in other nations in the region. Health-conscious consumers are greater consumers of drinking milk products as Saudi consumers appreciate the health properties attached to drinking milk products. Overall, females tend to be more health conscious in Saudi Arabia which further makes them a key consumer group of milk products. Younger consumers consume more milk products per capita than older consumers with UHT milk being the most commonly consumed milk amongst younger consumers and Saudi Arabia in general; at least partly due to the logistical challenges involved in storing and transporting other variants of milk given the often extreme heat in Saudi Arabia.²⁶

²⁶ Milk cost and consumption on the rise, Arab news, available at <https://www.arabnews.com/news/446998#:~:text=UHT%2C%20or%20long%2Dlife%20milk,consumption%20stands%20at%2038%20percent.>

Cheese: Processed cheese dominates the Saudi Arabian market with spreadable processed cheese, cheese in jars and squeezable cheese being the more popular processed cheese in the country. Demand for process cheese has rebounded post-COVID-19 as young children often consume processed cheese with their lunch at school as do many workers. Soft cheese has also returned to growth post-COVID-19 as tourism and immigration returned to Saudi Arabia encouraging the consumption of soft cheese by tourists or migrants from a large soft cheese-consuming culture. Hard cheese is the smallest cheese category but remains significant with a retail value of EUR 108 million compared to the EUR 654 million retail value of spreadable cheese which is the largest cheese category by retail value. Overall, younger consumers and middle-aged consumers are the larger consumers of cheese in the country with processed cheese remaining the most popular category although soft cheeses are catching up due to the perception of soft cheeses as being a healthier choice.

Butter and spreads: Consumption of butter and spreads in Saudi Arabia is high when compared to other nations in the region and is forecasted to continue growing as the product has become ever more commonly used in the country's food service sector. Butter appeals to health-conscious consumers as well as cost-conscious consumers as the price of sunflower oil have risen significantly since the outbreak of the full Russian invasion of Ukraine at the beginning of 2022. Middle Aged, younger and urban consumers are the biggest targets for butter consumption due to the rising normality of butter usage in cooking as part of a wider trend of westernisation in the country concerning food and beverage consumption.

Yoghurt: The consumption of yoghurt in Saudi Arabia is popular with traditional yoghurts such as *labneh* being amongst the more commonly consumed products during the period of Ramadan. Consumers of all ages and income classes readily enjoy yoghurt products throughout the country as a topping for traditional dishes such as *mansaf*. Consumption of yoghurt remains stable year round as it offers consumers relief from the hot climate of the country, typically also in the form of *labneh*.

Other dairy: Different products of this diversified category are consumed by different consumer groups. Children for example are the main consumers of chilled dairy snacks in Saudi Arabia while urbanised middle-income earners are more likely to use quark products during their cooking processes. These products are also slightly more expensive than milk and cheese products which are produced on a larger scale in Saudi Arabia, as a result, middle-income to higher-income earners are more likely to purchase products from the other dairy category regularly.

Drivers and method of consumption

Traditionally, dairy products have religious and cultural significance in Saudi Arabia – they are often consumed during the month of Ramadan and at festivals (Eid Al-Fitr and Eid Al-Adha); plus are used in some traditional dishes such as *Akkawai* and *Za'atar Manakeesh*. In recent years, the consumption of dairy products across all categories has seen a rise in total consumption rates. There are a range of drivers for this. These include:

- The growth of domestic production of certain dairy products such as milk, cheese, yoghurt and to a lesser extent butter products; with government support and manufacturer innovation both further driving production and consumer demand for products.
- The wider trend of westernisation regarding the Saudi diet.
- Consumers increasingly appreciate the health properties of many dairy products

with premiumisation picking up in the country, particularly in the cheese category. Consumption of dairy is also recommended by some medical professionals to combat certain chronic disease in the country such as osteoporosis.

- An increased interest in home cooking and a shift in the type of dishes being prepared at home is driving consumption of certain dairy products – milk, butter and cream in particular;
- Fast-paced lifestyles favour some on-the-go dairy products.

A further breakdown of drivers and methods of consumption patterns by category is provided below:

Milk: Milk can be considered a staple product in Saudi Arabia (even if total per capita consumption rates are lower than EU averages). UHT milk has overtaken whole milk as the preferred option in Saudi Arabia aided by its longevity and perceived health benefits amongst the consumer base in the country. While traditionally it has been camel or sheep milk which was preferred in Saudi Arabia, this is no longer the case as the country has invested in large-scale dairy farms such as Al-Safi (the world's largest dairy farm) which has helped to make cow milk the most popular in the country. Consumption can take place during any time of the day as milk is often mixed with tea or coffee (which are very popular in Saudi Arabia).²⁷ Breakfast cereals are increasingly common due to the westernisation of the diet coupled with an increased amount of women in the workforce which drives demand for foods which can be prepared quickly.

Cheese: Cheese as stated is the second most consumed dairy product in Saudi Arabia and the market for cheese products is quite large. Processed cheeses are the preferred cheeses for the present although soft cheeses are catching up. These processed cheeses are most commonly used in sandwiches (notably for children) and for on-the-go consumption. Cheese is benefiting from the rising desire for health-conscious foods coupled with the westernisation of the Saudi diet and a push to address a rise in demand for premium products in the country. Cheese benefits from its relative durability in hotter climates which makes cheese a product that can be stored and consumed to a greater degree than most other dairy products in Saudi Arabia. The consumption of cheese on pizzas and other western-styled processed products plus its use in western recipes is now common in Saudi Arabia, as is the consumption of cheese in sandwiches and as a healthy evening snack. Furthermore, Saudi Arabia is one of the largest consumers of cheese in the Middle Eastern region and cheese has influenced some traditional dishes such as *Akkawi Manakeesh* (Arabic cheese bread) and *fatayer* (stuffed bread). There are certain cheese-containing dishes which are popular during Ramadan such as *Qatayef* (a traditional dessert) and *Sambousa* (cheese-filled pastry). Halloumi cheese historically has been popular due to its use - often in fried/grilled form - in sandwiches, salads and mezze platters.

Butter: There has been a large rise in demand for butter in 2022 as traditional cooking products such as sunflower oil saw a spike in prices as a consequence of the Russian-Ukrainian conflict, with Saudi Arabia imported most of its sunflower oil from both countries before the full outbreak of the conflict. Butter is forecast to be continuously used in Saudi households as consumers have grown to appreciate the durability and health benefits of the product in their cooking processes. The food service sector is another large channel of butter distribution in Saudi Arabia as many chefs have adopted European-styled

²⁷ Milk usage and habits in Saudi Arabia, 4 insights, available at <https://4sightglobal.com/milk-usage-consumption-habits-in-ksa/>

cooking methods which often include the usage of butter in the cooking process, this is a further reflection of the westernisation of the Saudi diet.

Yoghurt: As mentioned in the previous consumer section, *lebanah* (Greek-styled yoghurt) is a staple product in Saudi Arabia and is often enjoyed as a topping intended to cool both foods and the consumer within the hot climate of Saudi Arabia. *Lebanah* further is often a key ingredient in certain Saudi traditional dishes which drives demand for the product. The reopening of the country post-COVID-19 further results in situations where yoghurt is increasingly used by consumers who are hosting visitors in their homes as yoghurt is often a key complement to many Saudi dishes. Finally, drinkable yoghurts are popular in the hot and arid climate; and sour milk / yoghurt are popular after heavy meals.

Other dairy: The largest consumed product within this category is evaporated milk with quark also being increasingly common. Other dairy products concerning value and consumption lag behind cheese and drinking milk products with health concerns being one of the main reasons. Still, innovation within this sector is high within Saudi Arabia and is driving new products within this category such as coffee whiteners and condensed milk. Consumption patterns follow many other dairy products such as the use of other dairy products as a compliment to tea and coffee or the consumption of other dairy products as a snack for children and also adults.

Purchase criteria

Price, health properties and convenience are frequent considerations for consumers of dairy products. Looking more specifically on a product-by-product basis:

Milk: As discussed, UHT milk is the most preferred milk in Saudi Arabia as this milk is more durable in the hot Saudi Arabian climate coupled with the perception of this milk being of a higher quality compared to fresh whole milk in regards to texture and healthiness. Due to the widespread expansion of domestic dairy production in Saudi Arabia in recent decades, many consumers are accustomed to largely drinking Saudi-produced milk only with imported milk being rather rare in the country which makes milk unique in this sense when compared to most agri-food and beverage products.

Cheese: Increasingly, consumers are seeking out soft cheese products which are also largely sought out by the many western immigrants who have moved to Saudi Arabia. Despite this, processed cheese is the most popular cheese in Saudi Arabia as discussed in the above section, consumers are increasingly health conscious about which cheese they purchase which is helping to raise demand for organic cheese in the country. The use of cheese is always likely to play a role in the purchasing decision – particularly in view of the increased use of cheese in home cooking that was noted above.

Looking ahead, consumers are increasingly seeking out quality (i.e. imported) cheese in part of a wider trend of premiumisation; however domestic producers are pivoting slowly towards producing more premium cheese to cater to this demand. Nonetheless, country of origin is a factor that consumers will take into account when buying more premium cheeses, with a preference for products from countries better-known for cheese production. Consumers often prefer imported cheese to be sold loose rather than pre-packed, as they associate this loose format with authenticity and quality when compared to pre-packed mass-produced cheese.

Yoghurt: Plain yoghurt (most notably *lebanah*) is the most consumed yoghurt in Saudi Arabia and many purchasing criteria for lebanah will reverberate across multiple yoghurt categories. Consumers increasingly are seeking health and wellness-focused products

which is a key factor in driving growth in yoghurt products in the Saudi Arabian market and this is leading to the development and growing popularity of products that are high in protein, low-fat (or 0% fat, and which are fortified/functional. These characteristics are likely to be among the key purchase criteria for upcoming years in the country.

Butter and spreads: The price point is important when it comes to butter and spreads. Price-sensitive consumers are increasingly seeking out butter products instead of the higher prices of sunflower oil due to the ongoing conflict in Ukraine. Butter benefits from its perception amongst many consumers as a natural product which further helps in its perception of being a healthy product to consume. Chefs and workers in the food service sector increasingly look for imported butter products due to the perception of them being higher quality than domestic butter products coupled with the need to cater to the rising demand for premium products.

Other dairy: Different products have different purchase criteria, however, the price remains an important purchase criterium for all other dairy products, and so does the quality and taste. Durability is a key criterion for many consumers due to the hot climate of Saudi Arabia; for this reason, evaporated milk is popular. Consumers further like with most dairy products are increasingly seeking out premium and healthier products such as organic or products with added nutritional value.

Dairy products on retailers' shelves in Saudi Arabia

Rigid plastic is the most common packaging material across dairy categories. That said, plastic pouches are gaining in popularity for many products (sometimes with new features for the market, such as screw closures). Furthermore, metal packaging is a common sight for certain products – most notably shelf-stable dairy products such as condensed milk and for some hard cheese. Flexible plastic has a strong presence for cheese products.

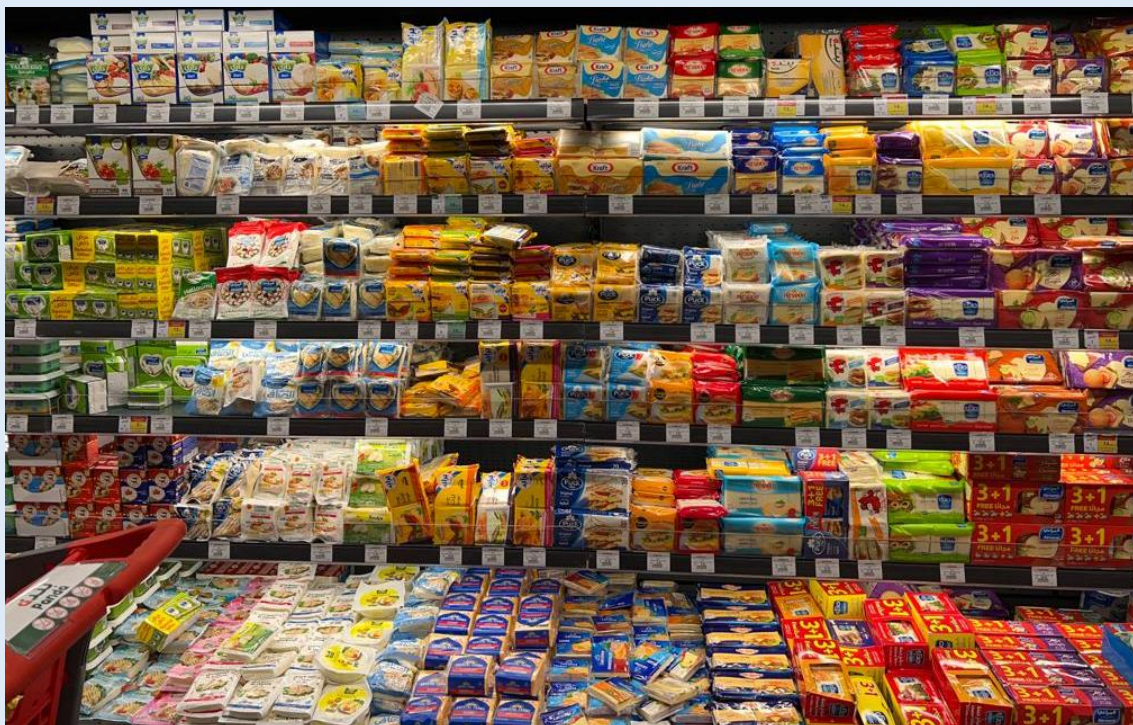


Above: dairy section of a supermarket.

Increased competition in the dairy segment (most notably from domestic production) is causing producers to try to differentiate products. Two particularly common ways they are trying this is through packaging (both the choice of pack type described above, and the packaging design); and through the product characteristics which are subsequently communicated on the label. With regard to the latter, organic status and the advertising of health benefits on the front of pack are two ways in which producers are differentiating their products.

In the face of pricing pressure, it is increasingly common to see larger pack sizes and multibuy offers for dairy products. That said, this is more common with drinking milk and yoghurt products rather than with cheese and butter.

Below: cheese section of a large supermarket. The dominance of processed cheese is clear to see. The use of eye-catching packaging can also be seen.



As indicated in previous sections, imported cheese is almost exclusively a high-mid range or premium product, with domestic products – primarily processed cheese ones - targeting the segments below these. As a result, common retail price for imported cheeses are:

- Higher mid-range: SAR 6 to 10 (EUR 1.50 to 2.50) per 100g
- Premium: SAR 10 to 23 (EUR 2.50 to 5.75) per 100g; though in some cases, more expensive products can also be found.

Pack sizes are typically between 100 and 300 grams (unsurprisingly given the aforementioned price pressure and high price of imported products). That said, it is possible to find some large pack sizes of 1kg. Pack sizes between 300g and 1kg are not common. Occasionally there are volume offers (such as buy one get one free) for imported cheese.



Above and below: imported cheese products on normal supermarket shelves. In this case, they have their own, clearly labelled section.





Above: imported cheeses in the cheesemonger section of a supermarket.

Flexible paper and plastic is more or less the norm for imported cheese when it comes to packaging. Imported cheese may be displayed on normal shelves, or may have their own section.

Flexible paper and plastic is more or less the norm for imported cheese when it comes to packaging. Imported cheese may be displayed on normal shelves, or may have their own section.

Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

There are a number of market trends which are applicable across multiple dairy products such as the rise in demand for premium dairy products, organic dairy products, imported (quality) dairy products and added nutritional dairy products. Below is a breakdown of recent market trends by major product category.

Milk: Growth in the milk category is being supported by the complete lifting of restrictions which is encouraging the resumption of economic activities which is boosting demand. This is especially true in cities such as Mecca and Medina where many distribution channels were completely shut down due to the Covid-19 pandemic and the suspension of Hajj and Umrah, which are considered the main source of inbound visitors which is key to know for what are two key target markets for EU food and beverages in the country. In 2022 it is expected that these two cities will be at full capacity again which should support demand for a wide range of products, including drinking milk products. Goat milk which has been traditionally consumed in the country is re-emerging in popularity as one of the newer trends to be seen in the market, with these products tapping into the wider health and wellness trend. Some consumers find that goat milk is easier to digest and healthier. While health and wellness will likely remain a key influence on the demand for drinking milk products economic pressures are also likely to inform consumer purchasing decisions particularly as the cost of domestic milk has risen in recent years. Overall, Saudi Arabia will likely remain one of the key markets for drinking milk products in the Middle Eastern region with per capita consumption rates growing in what is already a large drinking milk consuming country.

Cheese: During COVID-19, the demand for cheese as an ingredient for cooking and eating at home rose strongly as a result of home seclusion, remote working, distance learning and restrictions on the operations of foodservice outlets. This led to a dramatic rise in sales between 2020-2021 even though ex-pats largely left the country or were unable to return during the pandemic. Soft cheese is projected to be the most dynamic category in the sector, with retailers and manufacturers expected to look to take advantage of the growing interest in these products. Mozzarella and feta are likely to remain the most popular areas of soft cheese due to their use in local and Western dishes, such as pizza and Greek salad, respectively. However, other options such as halloumi (which has been consumed for a while but is benefitting from an increased focus on healthiness) and blue cheese are also picking up share as consumers look for more variety and experiment with different flavours. Gouda is proving increasingly popular as a cheese to be used in sandwiches or burgers; while camembert is gaining popularity both as part of cheese boards / platters, and in melted form as a topping (e.g. for burgers and sandwiches). Awareness of mascarpone is growing due to its use in desserts such as Tiramisu; as is that of Parmigiano-Reggiano as it features in soups and salads.

Butter: The sharp rise in sunflower oil as a consequence of the Russian-Ukrainian conflict has aided butter consumption in Saudi Arabia as the product has become more price competitive and, in many cases, cheaper than sunflower oil. The development of health-focused private-label products reflects the growing influence of the health and wellness trend across butter and spreads. This has led to the entrance of new brands in the Saudi Arabian market which has made the market more dynamic.

Yoghurt: Consumption is increasing again due to the lifting of restrictions post-Covid-19 along with the return of tourists which is a key consumer group of yoghurts in Saudi Arabia. Health and wellness remain the key factor in driving growth in yoghurt and sour

milk products in the Saudi Arabian market and this is leading to the development and growing popularity of products that are high in protein, low-fat and 0% fat, and fortified/functional. This is helping to drive demand for Greek yoghurt which is receiving growing attention from consumers. Following the burgeoning health and wellness trend in the market, international Greek yoghurt brands are expected to continue being imported into the country over the forecast period, with these mainly being sold in modern grocery retailers.

Other dairy: Other dairy is seen to be a promising area and it also has the potential to attract new players with there being further scope for new product development and innovation. For example, coffee whiteners are expected to see healthy growth in the Kingdom, due to the popularity of coffee in the country. While other dairy is still seen to have room for growth and development, some areas of the category are likely to see demand dampened by the rise in consumer health-awareness, particularly among parents. With an increasing focus on children's diets in light of the growing problem of childhood obesity, many parents are expected to start encouraging their children to consume healthier meals and snacks instead of products such as chilled dairy products.

5.3.3 Offer

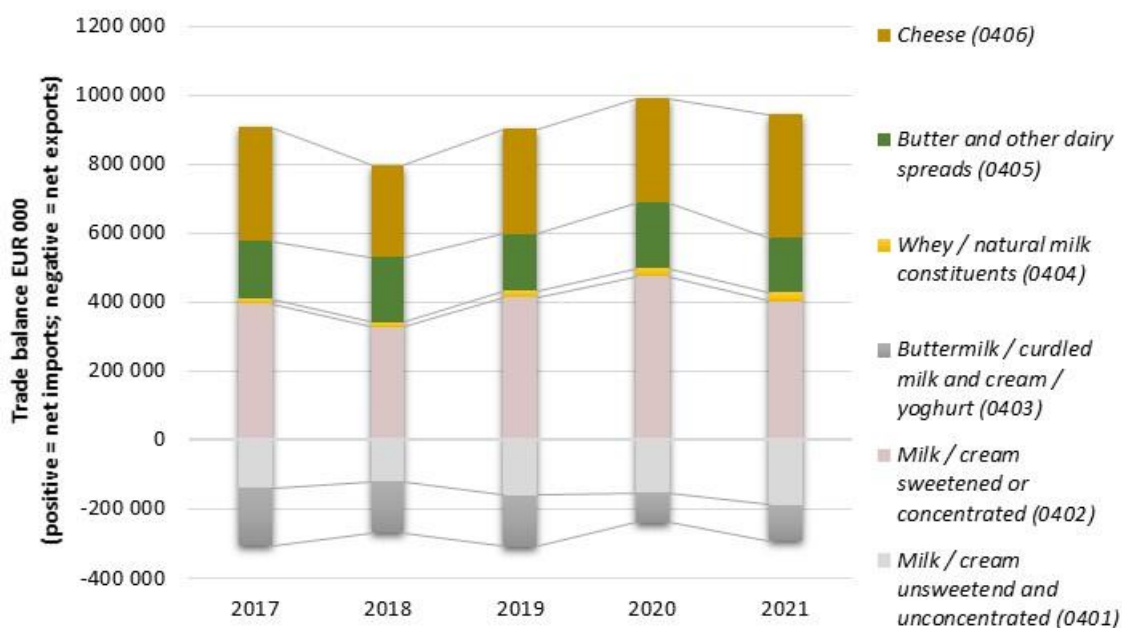
Domestic production

The dairy production sector of Saudi Arabia has grown rapidly in recent years with the country now being home to the world's largest dairy farm Al-Marai which counts up to 100 000 milking cows with the capacity to cater to up to 55 000 thousand consumers every day. It is estimated that up 2.7 million tonnes of drinking milk are produced in Saudi Arabia every year which largely caters to domestic demand for the product. Cheese production is forecast to grow in the country by an average of 4% between 2023 and 2027 with the current tonnage of cheese produced in the country standing at around 200 000 tonnes, considerably below domestic demand. The cheese types which are most commonly produced in the country are feta and cheddar. Butter production is more limited with the country producing around 5 400 tonnes of this product in 2022. Saudi Arabia is one of the world's largest producers of yoghurt products with the country producing around 150 000 tonnes of yoghurt on average in recent years which represents a sizeable amount of global yoghurt production. The Al-Mari company is the leading dairy producer in the country across several categories such as yoghurt, cheese and milk.

Imports and exports

As shown below in Figure 5-11 overall, Saudi Arabia is a net importer of most dairy products such as milk or creams that are sweetened or concentrated, whey and natural milk, butter and other spreads, and cheese. The country is a net exporter of buttermilk/curdled milk and yoghurt (the main product exported from this category) and also milk and cream of the unsweetened variety. Saudi Arabia imported EUR 616 million worth of cheese followed by EUR 593 million worth of sweetened milk and cream products. The country further imported EUR 202 million worth of butter and other spreads which represents the majority of dairy imports into the country.

Figure 5-11: Trade balance (imports and exports) of dairy in Saudi Arabia, 2017-21 (EUR 000)



CN codes in brackets.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

In terms of the origin of imports, there are several important exporters of dairy products which stand out amongst multiple categories including New Zealand, France and the UAE, as shown in Figure 5-12:

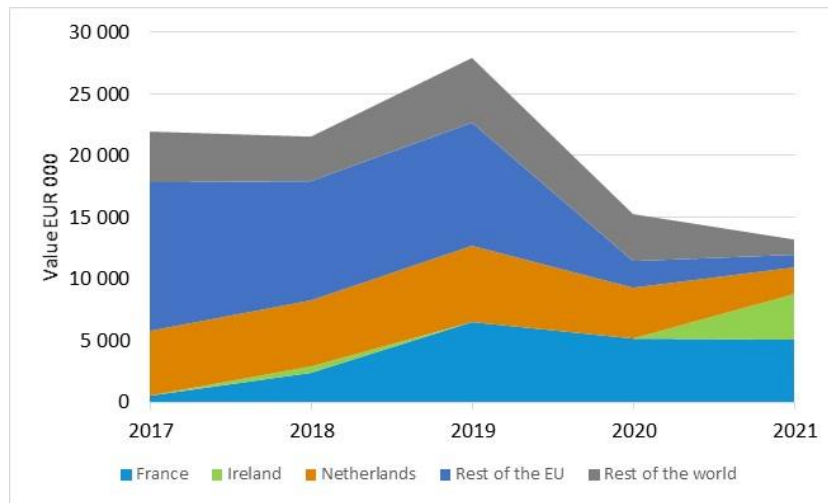
- **Unsweetened/unconcentrated milk/cream:** France accounted for around 30% of imports in this category. Ireland is next and a recent mass exporter to the country accounting for around 15%, followed by the Netherlands and Italy. Thus, the EU clearly dominates imports in this product market accounting for 85% roughly of all exports to Saudi Arabia.
- **Sweetened/concentrated milk/cream:** New Zealand and the United Arab Emirates are the main exporters of these products. The Netherlands is the biggest EU exporter. The EU in total accounted for around 40% of the Saudi Arabian import market value for this product in 2021.
- **Buttermilk, curdled milk and yoghurt:** The UAE is the most important exporter however Saudi Arabia imports these products from a wide variety of countries. The UAE accounted for around 10% of the total Saudi Arabian imports of these products in 2021. Exports from France and Bulgaria are amongst the highest by country however account for about 5-6% each respectively.
- **Whey and natural milk constituents:** Denmark is the largest exported accounting for around 15% of imports into Saudi Arabia in 2021, followed by New Zealand and the Netherlands. The EU in total accounted for 60% of Saudi Arabian imports in this product category.
- **Butter/dairy spreads:** New Zealand accounts for just under half of the imports into Saudi Arabia, followed by Denmark and the US. The EU in total accounted for

about 40% of Saudi Arabian imports in this product category in 2021.

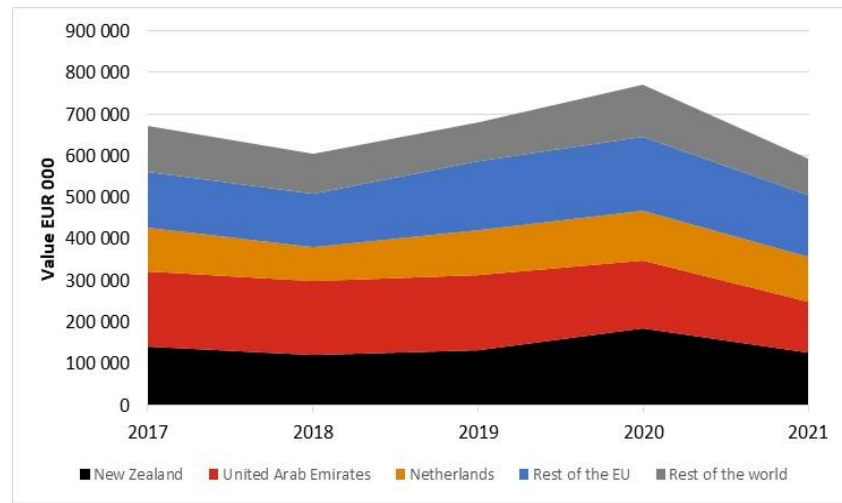
- **Cheese:** Bahrain is the biggest exporter of cheese to Saudi Arabia and accounted for around 10% of Saudi Arabian imports in this product category. Denmark ranks second, followed by Poland, Egypt and the US. The EU in total accounts for more than half of the Saudi Arabian imports of cheese.

Figure 5-12: Saudi Arabian imports of different dairy product categories by country, 2017-21 (EUR 000)

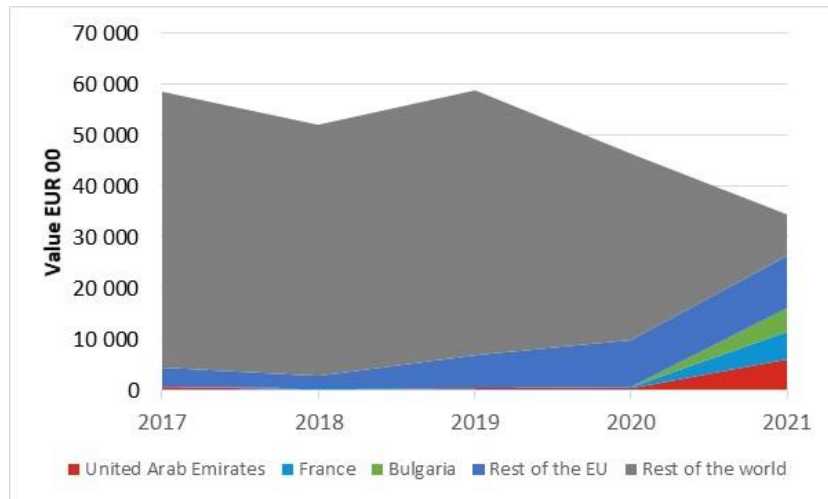
0401 Milk/cream unsweetened/concentrated



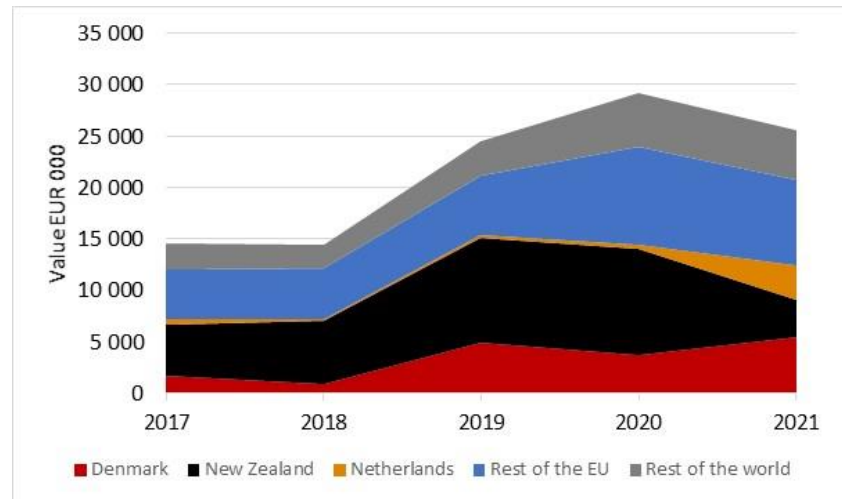
0402 Milk/cream sweetened/concentrated



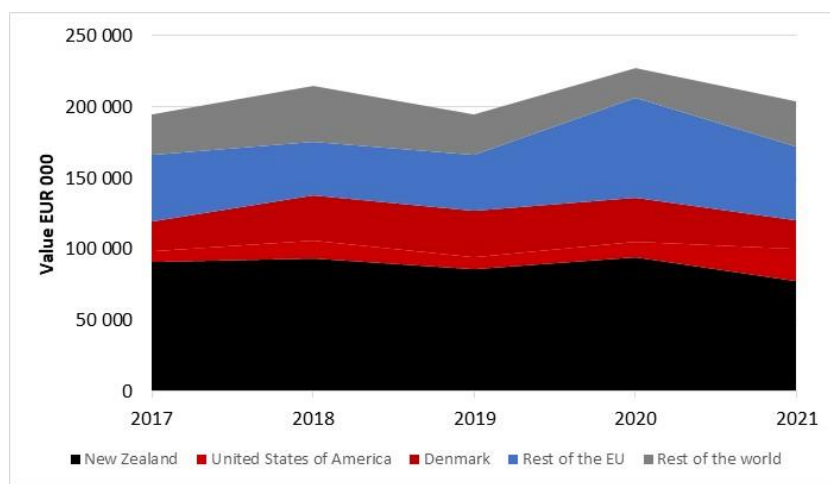
0403 Buttermilk / curdled milk and cream/yoghurt



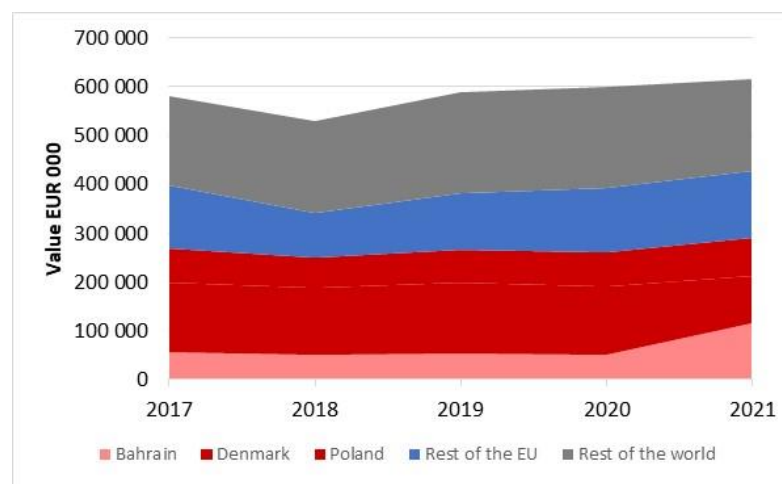
0404 Whey/natural milk constituents



0405 Butter/dairy spreads/



0406 Cheese



CN codes are indicated above graphs.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

EU GI products

As noted in section 4.2.4, there is currently no agreement in place between Saudi Arabia and the EU on GIs. However, there is the possibility for GIs to be registered as collective marks or control/certification marks in Saudi Arabia. Interested exporters should consult their GI body to check whether or not this has been done / is being considered.

Main competitors

The EU is a key exporter of certain dairy products to Saudi Arabia such as cheese, butter and sweetened milk. The EU further has a strong role in the exports of all other dairy categories exported to Saudi Arabia. The main competition comes from domestic production as Saudi Arabia has invested intensively in recent decades in modernising and expanding its capacity to produce dairy products, with yoghurts and unsweetened milk being the most produced dairy products in the country and largely catering to domestic demand. Saudi Arabia is also expanding its capacity to produce other dairy products such as butter and cheese which has been highlighted as a key step from the government towards increasing food security. Outside of Saudi Arabia, the main competitors come largely from other gulf states such as the UAE and Bahrain and look further afield from New Zealand and the US.

5.3.4 Specific market entry requirements

Market Access and Entry

The required documents to export dairy products to Saudi Arabia are set out in section 4.2. Notable requirements specific for dairy products include: registration as importer of agricultural goods with Ministry of the Environment, Water and Agriculture; registration with the Saudi Food and Drug Authority (SFDA); permit to export animal and animal products; veterinary release certificate for animal and animal products; veterinary health certificate for animal products; and a radiation certificate. A full list of specific requirements can be found in Table 4-2. General import requirements are set out in Table 4-1.

Facility accreditation for dairy products is required. A list of the countries permitted to export plus the establishments accredited, by country, can be found at the following link: https://www.sfda.gov.sa/en/list_countries_products (under milk and milk products -> dairy products).

In terms of tariffs, dairy products are generally subject to high tariffs, particularly for 0401 milk and cream unconcentrated (10-25%), 0403 buttermilk, curdled milk and cream (10%-15%) 0404 whey products (10%) and 0405 butter and spread (6%-15%). Full information on tariffs by category can be obtained from the links below.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – cheese for processing category (0406 90) from France to Saudi Arabia:

<https://trade.ec.europa.eu/access-to-markets/en/results?product=0409&origin=FR&destination=SA>

Standards, SPS measures

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

There are a range of GSO standards which may apply to dairy products, depending upon the precise nature of the product. Notable overarching ones include:

- GSO CODEX STAN 207:2021 for Milk Powders And Cream Powder
- GSO 2000:2015 for standards of cheese
- GSO 992:2016 for yoghurt

Given that in total there are around 70 standards for dairy products – many of which are very specific (e.g. for certain specific types of cheese), or specific sub-categories of dairy product (e.g. milk products with probiotics) it is strongly recommended that the full list be consulted. It can be found at the link below, and the corresponding standards can also be purchased through this website.

<https://www.gso.org.sa/store/standards?ics=67.100>

Section 4.2.3 contains detailed information on the labelling requirements for packaged foods in general, the key piece of legislation regarding the labelling requirements for packaged foods is GSO 9. Also, Saudi Arabia has implemented a nutritional score traffic light label requirement for packaged food products.

It should be noted that the SFDA had indicated that halal certification would become mandatory for all dairy products. However, a full update on this has not been provided by the SFDA since this announcement in 2021. It is recommended that import partners or halal accreditation bodies be consulted on the current status of mandatory requirements.

5.3.5 Distribution

Grocery retailers account for 99% of the distribution of dairy products in Saudi Arabia, with supermarkets accounting for 40% of the share of distribution followed by small local grocers (32.7%) and hypermarkets (24%) (Figure 5-13). To look at the distribution of individual dairy products more specifically and how distribution differs from that for dairy as a whole:

Drinking milk: Grocery retailers account for over 98% of distribution mainly through small local grocers and supermarkets with hypermarkets also being a key distribution channel. E-commerce is a minor but growing channel, accounting for 1.5% of sales.

Other dairy: Grocery retailers account for over 98% of distribution coming mainly from hypermarkets and supermarkets. Small local grocers are a smaller but significant distribution channel while e-commerce is growing but still minor at around 1.1%.

Butter and spread: Virtually all distribution comes from grocery retailers which account for 99% of sales. Supermarkets are the largest distribution channel accounting for 49.6%

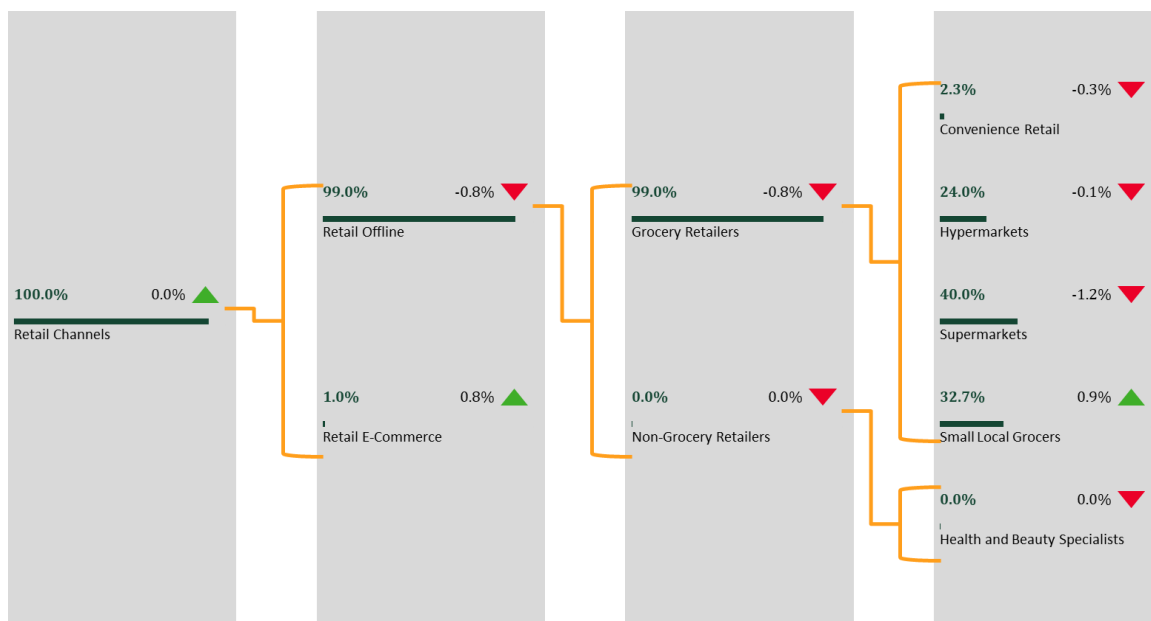
of sales followed by small local grocers with a share of 25% and hypermarkets with a share of 23.5%.

Cheese: Supermarkets account for 46.4% of the market distribution of cheese in Saudi Arabia followed by small local grocers with a share of 28.6% and hypermarkets with a share of 23.5%.

Yoghurt: Grocery retailers dominate distribution, accounting for close to 99% of all retail sales, mainly through small local grocers (41% of sales) and hypermarkets (28.4% of sales) while supermarkets are also significant accounting for 27.7% of sales. Only a minor part of sales is done via e-commerce (0.7%).

Imported dairy products of all types are much more likely to be found in modern retail channels (hypermarkets and supermarkets in particular) and, to some extent, through e-commerce channels although the e-commerce market for dairy remains quite small even if growth is forecasted to continue in upcoming years.

Figure 5-13: Distribution channel overview of dairy products in Saudi Arabia (2022), % share



Source: Euromonitor International: Packaged Food, 2022.

5.3.6 Challenges for EU products

Tariffs, the logistics of exporting to Saudi Arabia from the EU, domestic production, competition from third countries such as New Zealand and the US, and dietary differences are the biggest challenges for EU dairy products being exported to Saudi Arabia. Saudi Arabia has planned to expand its production capacity of several dairy products in upcoming years, particularly for cheeses and butter which are two of the bigger dairy products imported currently by the country with various initiatives – both government and private – to encourage production growth. Alongside this, import tariffs have increased in recent years and are now around the 15% level for most products, up from around 5% before 2020. On the consumer side, there is increased interest in private label products due to economic pressures.

Nonetheless, many of these challenges are alleviated by the continuous westernisation of the Saudi Arabian diet coupled with rising incomes and demand for premium products which are the key opportunities present in the Saudi Arabian market for EU dairy products going forward.

Market Takeaway: Dairy

Consumption: Yoghurts, cheese and drinking milk are the biggest dairy products consumed in Saudi Arabia with the total market coming to a value of EUR 4.6 billion in 2022. Urban and younger consumers are increasingly seeking out more premium products which makes them a key consumer group for EU dairy producers to target in the country.

Competition: Saudi Arabia is a large producer of drinking milk and yoghurt products which makes competing in these markets particularly difficult for the country also increasingly the country is investing more in its production capacity for cheese and butter and spreads. Outside of Saudi Arabia, the biggest competitors come from other gulf states such as Bahrain and the UAE and from further afield from producers such as New Zealand and the US.

Distribution: Mainly through grocery channels including small local grocers, hypermarkets and supermarkets. E-commerce is a minor but growing channel which is currently in its infancy concerning the distribution of dairy products in the country.

Challenges: Tariffs, dietary differences (such as the popularity of camel milk), the logistical challenges involved in exporting to Saudi Arabia and the high domestic production of milk and yoghurt stand as the biggest challenges for EU dairy producers seeking to enter the market.

Opportunities: The continuous westernisation of the Saudi Arabian diet coupled with rising incomes and the rising demand for premium products has helped to alleviate some of the challenges faced by EU dairy products in Saudi Arabia. Most notably, there is increasing awareness of / interest in a number of specific EU cheeses.

5.4 Olive oil

5.4.1 SWOT analysis

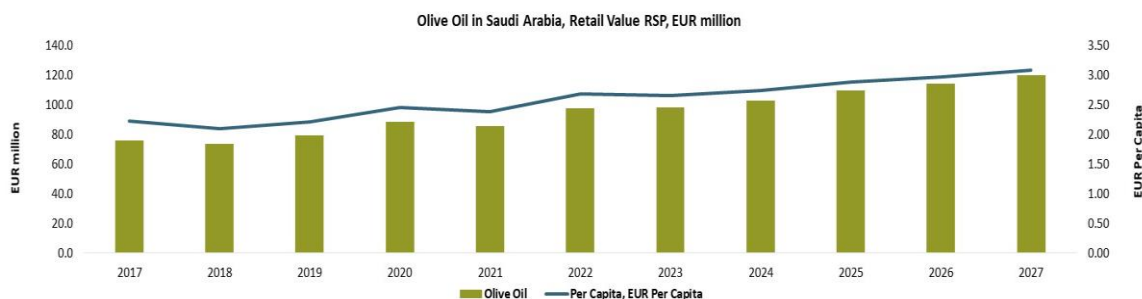
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> EU olive oil products appeal to consumer demand for premium quality products in the sector. Awareness and consumption of olive oil have grown rapidly over the last ten to twenty years. Saudi Arabia remains a large net importer of olive oil products. 	<ul style="list-style-type: none"> Olive oil consumption has traditionally been small in Saudi Arabia, though this is changing. Preference for sunflower oil products remains present, even if olive oil is growing in popularity. Olive oil remains in third place among oils.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> A spike in sunflower oil prices presents a price-competitive window of opportunity for olive oil products E-commerce, although a niche, is growing. With quality aspects such as brand, origin and purity well-regarded by consumers, EU products are well-placed. 	<ul style="list-style-type: none"> Syria and Tunisia are both large exporters of olive oil to Saudi Arabia. Domestic production has grown rapidly and continues to grow aided by government subsidies and investments.

5.4.2 Consumption

Evolution of consumption

The consumption of olive oil in Saudi Arabia showed a general upward trend in recent years, growing at a CAGR of 5.2% between 2017 and 2022 when the market size reached close to EUR 97 million. The market is forecast to grow between 2023 and 2027 at a CAGR of 4.2% per year. As a result, the market is forecast to increase by about EUR 23 million to a total of approximately EUR 123 million by 2027 (Figure 5-14).

Figure 5-14: Evolution and forecast of the market for olive oil and olive oil consumption per capita in Saudi Arabia, 2017-2027 (value in EUR)



Note: figures for 2018 to 2022 based on forecasts

Source: Euromonitor International: Packaged Food, 2022

Consumers

The main consumers of olive oil in Saudi Arabia are individuals who are interested in healthy eating, tourist or pilgrims who arrive from countries with a high olive oil

consumption rate, Arab expatriates with a tradition of olive oil consumption and consumers who appreciate Mediterranean cuisine. Health-conscious consumers and young and middle-aged women are further notable consumer sub-groups, with the latter using olive oil for beauty purposes in some cases.

Consumption is rising among middle-income earners due to the spike in prices for sunflower oil recently due to the war in Ukraine which has resulted in olive oil becoming more price competitive in the Saudi Arabian market. Overall, olive oil is the third largest edible oil product by retail value with a retail value of EUR 95 million, and consumption is much more prevalent in the larger cities. The most-consumed edible oils on the market are sunflower oil with a retail value of EUR 155 million and corn oil with a retail value of EUR 140 million.

Drivers and method of consumption

The use of olive oil in Middle Eastern cuisine is deeply rooted in the region's culture and history, and as a result there are many traditional middle-eastern dishes which incorporate the product. With olive oil production late to arrive in Saudi Arabia, the connection with olive oil has been more distant than that of some other countries in the region; though it has nonetheless been associated with prosperity and blessings. Traditionally, olive oil has not been a major edible oil consumed in Saudi Arabia.

Over the last twenty years, olive oil consumption in the country has increased greatly – estimated between three and four times, with consumption more than doubling since 2010.²⁸ Key drivers of this rapid increase in olive oil consumption in Saudi Arabia include: the westernisation of the Saudi Arabian diet; increased nutritional awareness and the rise in demand for agri-food products with multiple health properties; the increase in price competitiveness of olive oil products as the price of sunflower oil has spiked; and finally the reopening of the tourism and pilgrimage sectors which aids olive oil sales. There has been a rise in Mediterranean-themed restaurants such as Lebanese and Italian restaurants which often incorporate olive oil into their cooking practises, this further aid total sales of olive oil in Saudi Arabia. The Saudi government has also started, in association with other actors, to promote marketing campaigns for olive oil; and social media influencers have helped in raising awareness of the product, including most notably of its use in some traditional Middle Eastern dishes..

Despite the rapid growth in consumption, olive oil still lags behind sunflower oil and corn oil presently.

Purchase criteria

The main purchase driver at present is the price of olive oil with the spike in the price of other edible oils directly helping to make olive oil products more price competitive in the Saudi Arabian market; driving demand for the olive oil category, as shown in Figure 5-14 above; and contributing to the expected 1.5% per year fall in sunflower oil consumption over the next five years. Saudi Arabian consumers increasingly are seeking out healthier options for their cooking practices which aid olive oil sales.

That said, olive oil is still largely a more premium niche product which brings with it heightened expectations surrounding the quality and packaging of olive oil products. This

²⁸ <https://www.indexmundi.com/agriculture/?country=sa&commodity=olive-oil&graph=domestic-consumption>

in turn means that brand name, country of origin and purity are important criteria. While there are significant imports of olive oil products from Syria and Tunisia, for demand for high-end premium olive oil products it is often EU olive oil products that are preferred and to a lesser extent Turkish olive oils. Spanish olive oil is significant in the market as Spain is the second largest exporter of olive oil to Saudi Arabia, high end premium olive oils bring with it heightened expectations regarding taste, texture and packaging from consumers. Organic status is also checked by a niche group of consumers.

Olive oil on retailers' shelves in Saudi Arabia



In terms of pricing, products which are both premium in nature but affordable tend to retail in the SAR 60 to 90 (EUR 15 to 22) range per litre. It is possible to find products priced below this (generally in the SAR 40 to 60 – EUR 10 to 15 range per litre). However, there are also premium and super premium products available in

supermarkets at prices of up to SAR 200 (EUR 50) per litre. There may be occasional price promotions on items.

Below: olive oil selection in a major retailer. The range is extensive, there are a couple of products on offer.



Glass bottles dominate packaging – other packaging materials are barely used. The most common size is 500ml, though 250ml and 750ml bottles are also popular albeit to a lesser extent. Larger formats (over 1l) are rare but do exist.



Above: reverse side label of an olive oil bottle. Below: olive oil bearing organic indications.



In some cases, olive oil products bear the original European GI on the packaging. Some products have indications of organic status.

Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

The following recent markets trends concerning olive oil are visible in the Saudi Arabian market:

- **Rise in interest in the Mediterranean diet:** Saudi Arabian consumers are increasingly interested in the consumption of Mediterranean-themed dishes due to their health properties and the overall rise in interest in foreign foods, particularly amongst younger consumers. There has been a notable rise in Italian and Lebanese-themed restaurants in the major urban areas of Saudi Arabia, particularly within Jeddah and Riyadh which further aide olive oil sales.
- **Health and wellness trend:** Consumers are becoming increasingly health-conscious and interested in treating themselves. Olive oil fits this trend very well because it is perceived to be a high-quality edible oil that is healthier than many other edible oils. Olive oil is further benefiting from the rise in social media usage amongst middle-aged and younger consumers which has resulted in niche products such as olive oil gaining traction and awareness amongst consumers.
- **Increase in price competitiveness**
Olive oil has largely been associated as an expensive premium product in Saudi Arabia in recent years however due to the spike in price for sunflower oil products due largely to the war in Ukraine the price competitiveness of olive oil has grown. Middle-income earners are now more likely to purchase olive oil products when choosing which edible oils, they wish to consume due to the price being more competitive. Olive oil is largely favoured by consumers seeking to prepare a dish of Mediterranean origin from countries such as Lebanon, Greece and Italy, restaurants themed after these countries will also largely use olive oil.

5.4.3 Offer

Domestic production

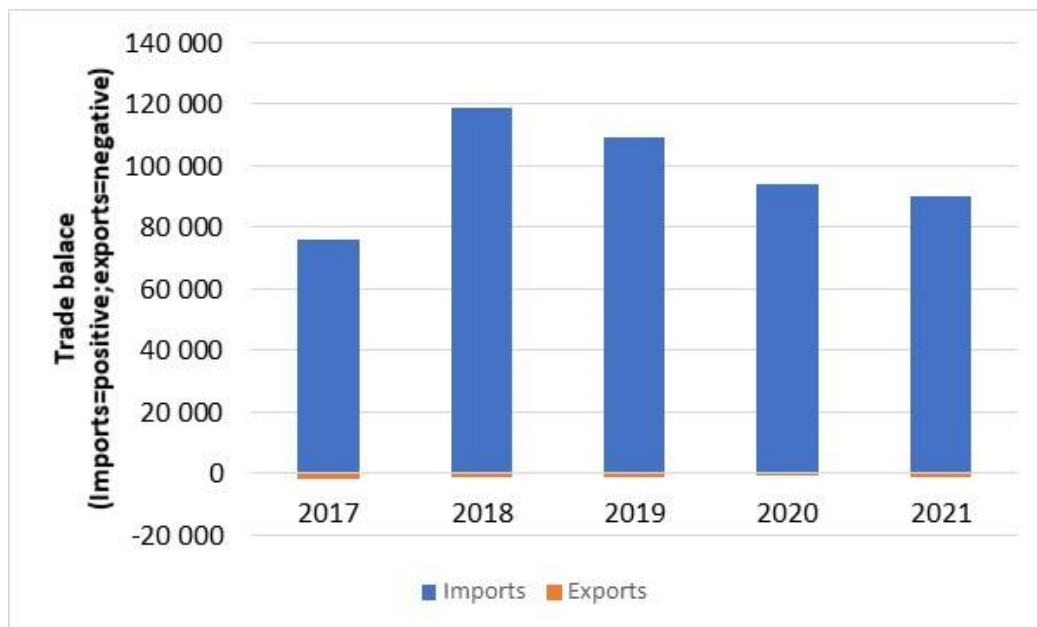
Olive oil production in Saudi Arabia is a relatively new industry with the country only in recent years investing heavily to scale up production of the product as domestic demand has grown. The country has a favourable climate for the production and cultivation of olives, particularly in the north and western regions of the country with Jizan and Jawf being particularly important. Most notably, the Jawf region has around 30 million olive trees planted across 7 300 hectares and is estimated to account for around 15 000 tonnes of olive oil production. This is a result of importing over 30 olive tree varieties primarily from France, Spain, Italy, Greece, and Turkey. Indeed, Al Jouf (Jawf) Agriculture Company has been recognised as having the world's largest modern olive farm by the Guinness book of records.

While Saudi Arabia on a global scale now ranks amongst the top 15 producers of olive oil, in reality, it remains a large net importer of the product however domestic production is growing. In 2020, production was estimated at approximately 30 000 tonnes (roughly ¾ of domestic demand), having grown incredibly rapidly (around 50% per year) since 2015. The government further has indicated it wishes to expand olive oil production to diversify its domestic food and beverage sector and to ease food security concerns.

Imports and exports

As can be seen in Figure 5-15, Saudi Arabia is a large net importer of olive oil products, despite the domestic production of olive oil growing in recent years. Saudi Arabia imported a total of EUR 90 million worth of olive oil in 2021 while the country exported a total of EUR 1 million in the same year.

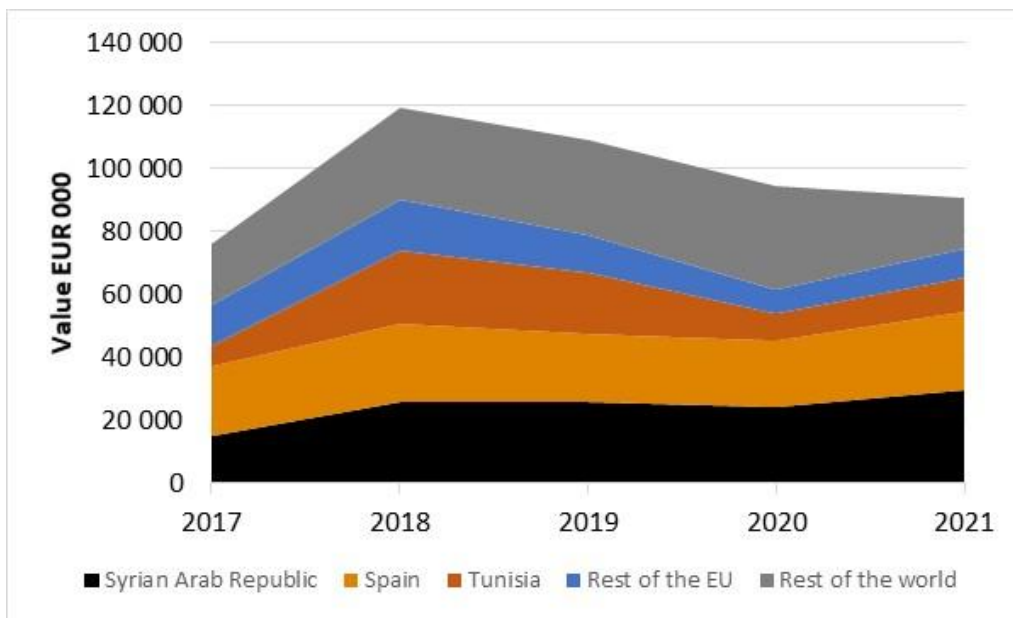
Figure 5-15: Trade balance (imports and exports) of olive oil in Saudi Arabia, 2017-2021 (EUR 000)



Data for CN code 1509.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

The Syrian Arab Republic is the biggest exporter of olive oil to Saudi Arabia (Figure 5-16). In 2021 the country exported around EUR 29 million, accounting for more than around 30% of all imports of olive oil into Saudi Arabia. Spain ranked second with olive oil exports worth approximately EUR 25 million in 2021 which is by far the largest EU member states that exports olive oil to Saudi Arabia. The only other two member states that export a significant amount of olive oil to Saudi Arabia from the EU are Greece and Italy, overall, EU exports account for around 40% of exports.

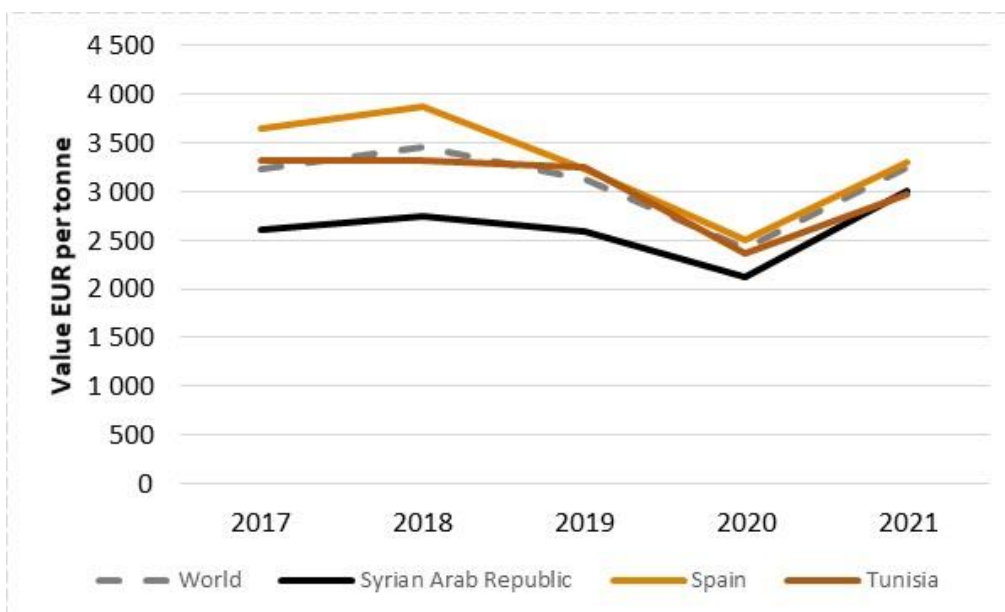
Figure 5-16: Saudi Arabian imports of olive oil by country, 2017-2021 (EUR 000)

Data for CN code 1509.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

In 2020, the world's average unit value per tonne of olive oil exports to Saudi Arabia was around EUR 3 240. The unit value of the biggest exporter, the Syrian Arab Republic, was a little bit lower than the world average at EUR 3 000 per tonne as shown in Figure 5-17. On the other hand, the unit value of Spanish olive oil was generally higher than the world's average, at more than EUR 3 300 per tonne in 2021.

Figure 5-17: Unit value of Saudi Arabian imports of olive oil by country, 2017-2021 (EUR 000 per tonne)



Data for CN code 1509.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

EU GI products

As noted in section 4.2.4, there is currently no agreement in place between Saudi Arabia and the EU on GIs. However, there is the possibility for GIs to be registered as collective marks or control/certification marks in Saudi Arabia. Interested exporters should consult their GI body to check whether or not this has been done / is being considered.

Main competitors

The competition in the Saudi Arabian olive oil market comes primarily from the Syrian Arab Republic which is the largest exporter of olive oil to Saudi Arabia and Tunisia which is the third largest exporter. Domestic production is picking up however it is far behind facilitating domestic demand.

5.4.4 Specific market entry requirements

Market Access and Entry

Requirements specifically for the import of olive oil include a certificate of analysis and importer registration at the SFDA. A full list is provided in Table 4-2. These are in addition to the general import requirements set out in Table 4-1.

Olive oil products face tariffs of 12%.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – general olive oil category (1509) from Spain to Saudi Arabia:

<https://trade.ec.europa.eu/access-to-markets/en/results?product=150920&origin=ES&destination=SA>

Standards, SPS measures, labelling

The key GSO standard for olive oil is GSO 1019:2022 (Edible Olive Oil And Olive Pomace Oil). The text of this standard can be purchased at the following link:

<https://www.gso.org.sa/store/standards/GSO:810735/GSO%201019:2022>

There are some further standards with relevance to certain olive oil products. A full list of standards for edible fats and oils can be found at the following link:

<https://www.gso.org.sa/store/standards?ics=67.200.10>

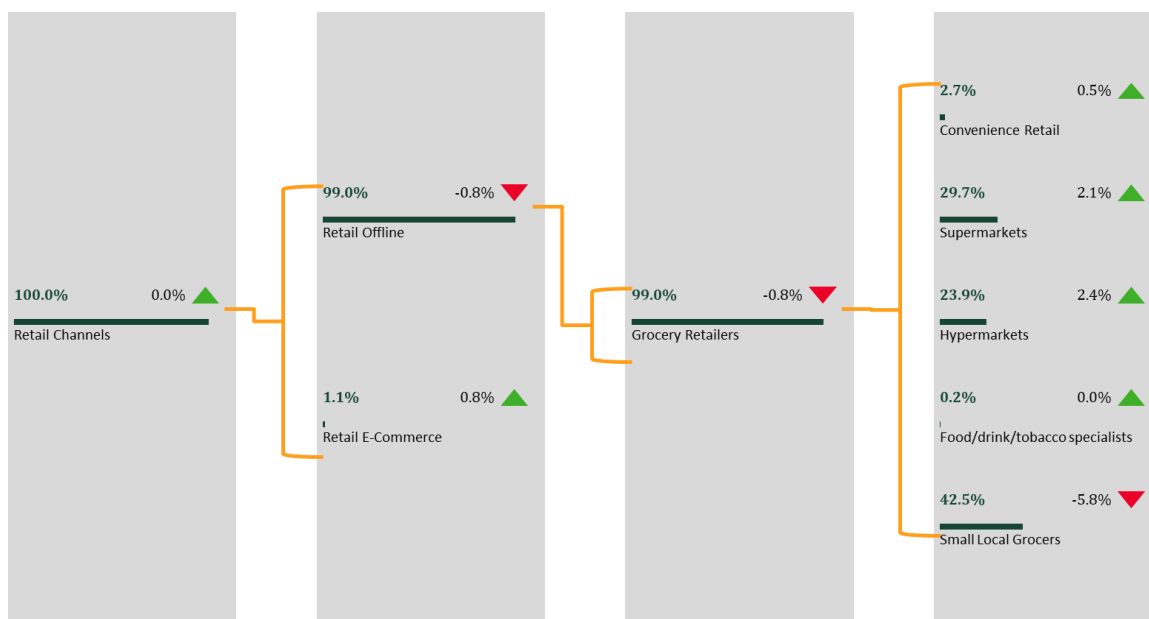
Section 4.2.3 contains detailed information on the labelling requirements for packaged foods in general, the key piece of legislation regarding the labelling requirements for packaged foods is GSO 9. Also, Saudi Arabia has implemented a nutritional score traffic light label requirement for packaged food products.

5.4.5 Distribution

Figure 5-18 shows the distribution channels of retail sales for edible oils as a whole in Saudi Arabia. Grocery retailers are the main distribution channel and account for 99% of all sales. Small local grocers are by far the most popular modern grocery retail channel with 42.5%, followed by supermarkets with 29.7%. Hypermarkets accounted for 23.4% of sales, e-commerce is still a niche but growing and accounts for 1.1% of retail sales. The modern retailers such as Lulu, Carrefour and Danube increasingly offer their own private label olive oil products.

Nonetheless, it must be remembered that foodservice channels are also important for olive oil distribution in Saudi Arabia, accounting for a little under 20% of olive oil sales by volume. Food service sales have also grown at a much quicker rate than retail sales – about ten times the rate in percentage terms – over the last five years.

Figure 5-18: Distribution channels overview of edible oils (including olive oil) in Saudi Arabia (2022); % share



Source: Euromonitor International: Packaged Food, 2022.

5.4.6 Challenges for EU products

The olive oil market in Saudi Arabia is still largely in its infancy as the country has shown a preference for sunflower oil and corn oil products up until recent years. Olive oil is now the third largest edible oil product by retail value in Saudi Arabia and is one of the fastest growing, the popularity of sunflower and corn oil however may make it difficult to reach out to consumers who have long associated edible oil consumption with sunflower or corn oil however as discussed, the hike in the price of sunflower oil is making olive oil more attractive. Competing with Syrian and Tunisian olive oil products presents a challenge, as does domestic production to a certain extent. However, for premium high-end olive oils there is less competition as these olive oils largely come from the EU. Going forward, competing with sunflower oil which will see a dip in price as production globally adapts to the war in Ukraine, the need to utilise social media to target consumers and finally the need to compete with a significant and growing domestic production base will be the larger challenges facing EU olive oil products in Saudi Arabia.

Market Takeaway: Olive oil

Consumption: Consumption is growing in Saudi Arabia, particularly among young urban consumers who are particularly health conscious. The rise in the interest in the Mediterranean diet among middle-higher income earners further incentivises olive oil consumption in the country.

Competition: Syrian and Tunisian exports of olive oil are the biggest competitors for EU olive oil products however domestic production within Saudi Arabia is both non-negligible and growing.

Distribution: Edible oil is mostly sold through small local grocers, supermarkets, and hypermarkets. E-commerce is a minor, but growing distribution channel.

Challenges: Competition with sunflower oil products which will likely see a dip in prices going forward coupled with reaching out to new consumers in a market that traditionally has not consumed a high amount of olive oil are the larger challenges. Significant and growing domestic production is another notable challenge.

Opportunities: The recent spike in sunflower oil products presents an opportunity for price competitiveness for olive oil products. A growing interest in the Mediterranean diet and products that lean into the health-conscious trend further aids olive oil sales; and the interest in quality aspects may assist EU products.

5.5 Chocolate confectionary

5.5.1 SWOT analysis

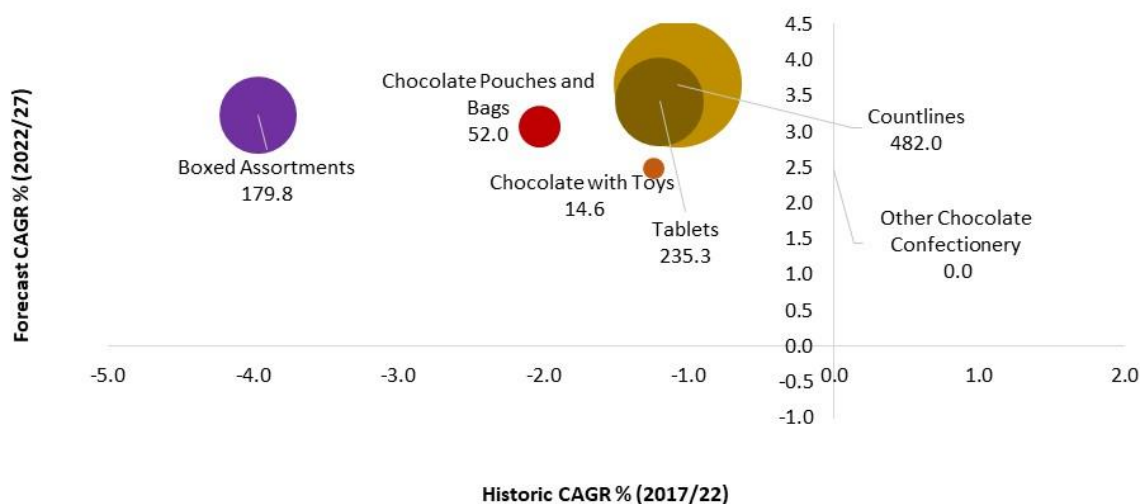
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> Chocolate confectionary products across multiple categories are expected to see a growth in consumption in Saudi Arabia in the short term. Saudi Arabia is one of the largest markets for chocolates in the Middle East with a small production base. Saudi Arabia is increasingly influenced by western dietary trends which is a positive trend for chocolate sales in the country. 	<ul style="list-style-type: none"> The need to be halal certified for certain ingredients to enter the market. EU exports lag behind Egypt and the UAE which both have logistical and trade advantages over the EU; plus are more plugged into local preferences. EU chocolates are more expensive than Egyptian and Russian chocolate which may price out a large segment of consumers.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> Spike in demand for chocolates around the holiday of Eid. Rising demand for artisanal and premium chocolates. Rising incomes are making it easier for a wider segment of the population to purchase EU chocolate products. 	<ul style="list-style-type: none"> Saudi Arabia is growing its capacity to produce chocolate products. Exports from Russia, Egypt and the UAE are the biggest threats to EU chocolate products in the country. Increasing health concerns amongst the consumer base.

5.5.2 Consumption

Evolution of consumption

The total value of the chocolate confectionary market in Saudi Arabia in 2022 was estimated to be around EUR 1 billion. As shown below in Figure 5-19, countlines ranked as the largest chocolate confectionary product in the Saudi Arabian market in 2022 with a total value of EUR 482 Million. This product is expected to grow by a CAGR of just under 4% between 2022 and 2027 and will therefore remain the top chocolate confectionary product in Saudi Arabia by 2027. Tablets are the second-largest chocolate confectionary product with a total value of EUR 235 million and a forecast CAGR of 3.5% between 2023 and 2027. After countlines and tablets, there is a notable decline in market size with the third-highest valued chocolate confectionary product in Saudi Arabia being boxed assortments which have a total retail value of EUR 180 million, followed by chocolate pouches and bags with a total retail value of EUR 52 million.

Figure 5-19: Evolution and forecast of the chocolate confectionery market in Saudi Arabia, 2017-2027; total retail value (EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumers

Saudi Arabia is one of the larger chocolate markets in the Middle Eastern region with the market for chocolate standing currently at a retail value of around EUR 1 billion.

Chocolate consumption in Saudi Arabia has been on the rise in recent years, driven by a growing population, increasing disposable incomes and a shift towards the westernisation of the domestic diet. Examining some key consumer segments:

- Chocolate is commonly consumed by younger consumers (over half the population being under 25) and most notably, **children**. It is estimated that more than two thirds of Saudi children consume chocolate twice a day. Milk chocolate is preferred, and consumption peaks around middle school age (13-16).
- Among adults, **Millennials** are an important consumer group. They tend to enjoy quality chocolates with a smooth texture; and may be attracted by packaging (including personalisation). They are also more likely to be attracted by the health and wellness characteristics of a product (e.g. organic, vegan, dark chocolate). Chocolate is a particularly popular snack among working professionals in this age group.
- The market for artisanal chocolates is growing which appeals to **older (often wealthier)** consumers as a luxury product. **Lower and middle income** consumers on the other hand are more likely to source cheap milk chocolate products through discounters and marketplaces; and potentially use them in their own desserts.
- The growing **expat** community of Saudi Arabia from western countries is also helping to drive up the sales of chocolate in the country as western countries have some of the highest per capita consumption rates of chocolate in the world.

Drivers and method of consumption

Chocolate is consumed in a variety of ways in Saudi Arabia as it is in many countries such

as via a desert meal or as a snack. Chocolate is increasingly viewed as a common gifting product which leads to a spike in demand for the product during the important religious events of Ramadan and Eid. The growing westernisation of the Saudi Arabian diet has allowed for the increased visibility and consumption of chocolate products in recent years which has further incentivised small and larger retailers to increase their purchases of chocolates to cater to rising demand, as such, it is now relatively easy for consumers to obtain chocolate products of a wide variety and quality in the country.

Three specific methods of consumption, other than gifting, which stand out are:

- **Healthy snacking.** As noted above, chocolate is a particularly common snack among young professionals. Health concerns are making dark chocolate and chocolate with nuts popular options.
- **Traditional recipes.** Chocolates are a common part of hospitality in Saudi households. Traditionally, dates wrapped in chocolate have been a favourite snack. These are often served with Arabian coffee during the evenings, and also make a common appearance during festivals. Chocolate is also increasingly used while making festive Middle Eastern desserts such as *baklava* and *kunafa*.
- **At home cooking.** Driven by the at-home cooking trend emerging from Covid-19, Saudis are increasingly using chocolate in their home baking/cooking. An example is chocolate's use as a filling for *maamoul* (a Middle Eastern cookie).

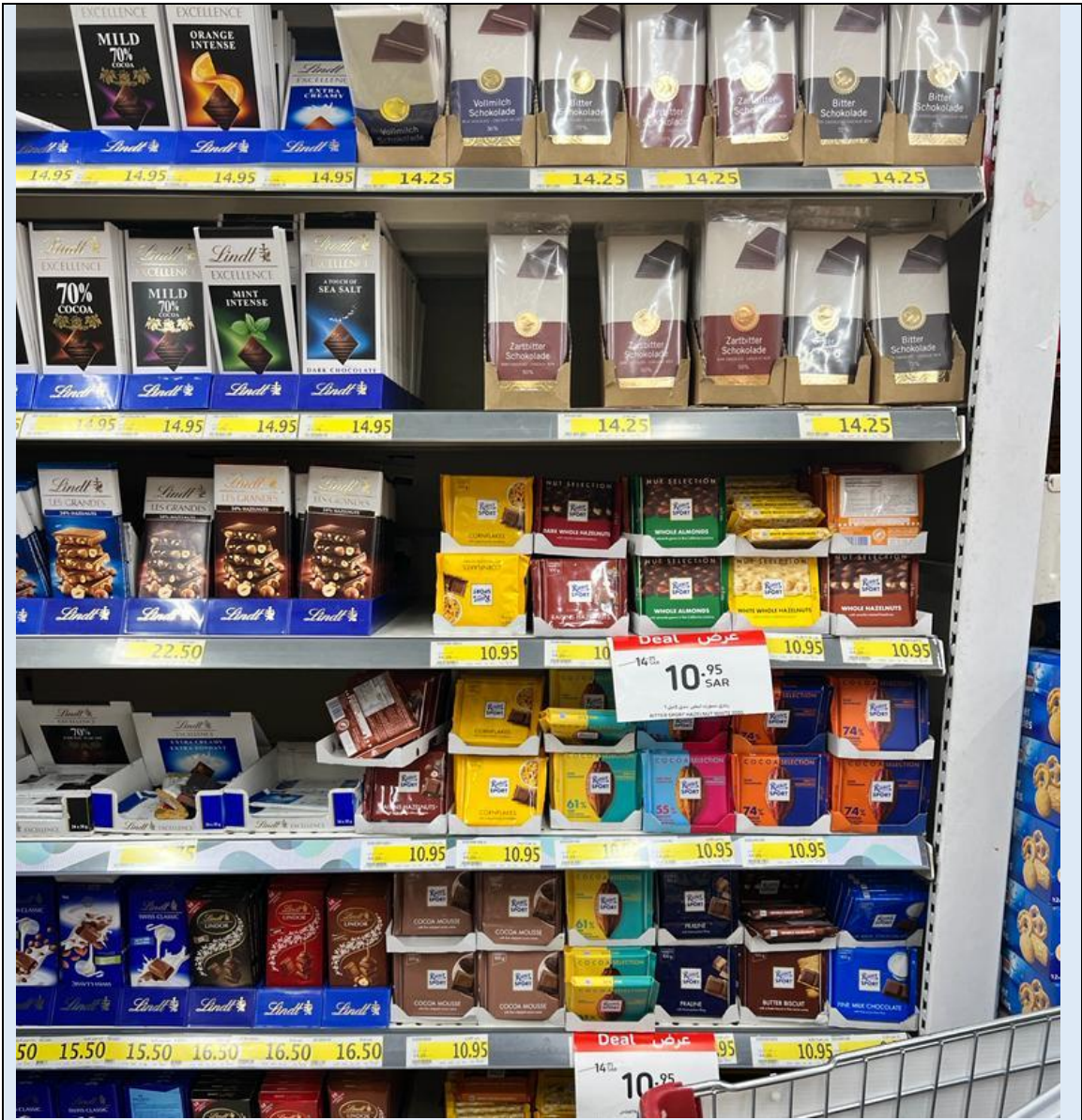
Purchase criteria

As chocolate continues to gain popularity in Saudi Arabia, there are a wide number of purchasing criteria which have emerged in the market. Firstly, Saudi Arabian consumers are rather brand conscious when it comes to premium products, as a result, larger and more premium brands with large visibility in the country will be best positioned to appeal to wealthier consumers seeking artisanal chocolates as well as middle-income earners who are willing to splurge on their chocolate purchases. Taste is another key criterion with consumers in Saudi Arabia often preferring chocolates with a sweeter flavour. Packaging is important, especially to consumers seeking to purchase chocolates as a gift item which means brands should pay particular focus to the imagery and quality of their packaging. Halal status is also very important for many consumers which means that producers need to ensure their products have a halal certification to appeal to the majority of consumers in the country. Finally, many consumers are increasingly health and sustainability conscious which means they will seek out chocolates which are low in sugar, fat and calories; and those that have e.g. organic certification. It should be noted that brand loyalty amongst chocolates with these characteristics tends to be higher.

Chocolate confectionery on retailers' shelves in Saudi Arabia

While prices vary depending on the precise product category, approximate price ranges for chocolate confectionery in Saudi Arabia are as follows:

- Economy: between SAR 1.40 – 10.00 (EUR 0.35 to EUR 2.50) for 40 to 150g
- Mid-range: between SAR 10 – SAR 21 (EUR 2.50 to EUR 5.20) for 100 – 180g
- Premium: over SAR 21 (EUR 5.20) for 180 - 200g

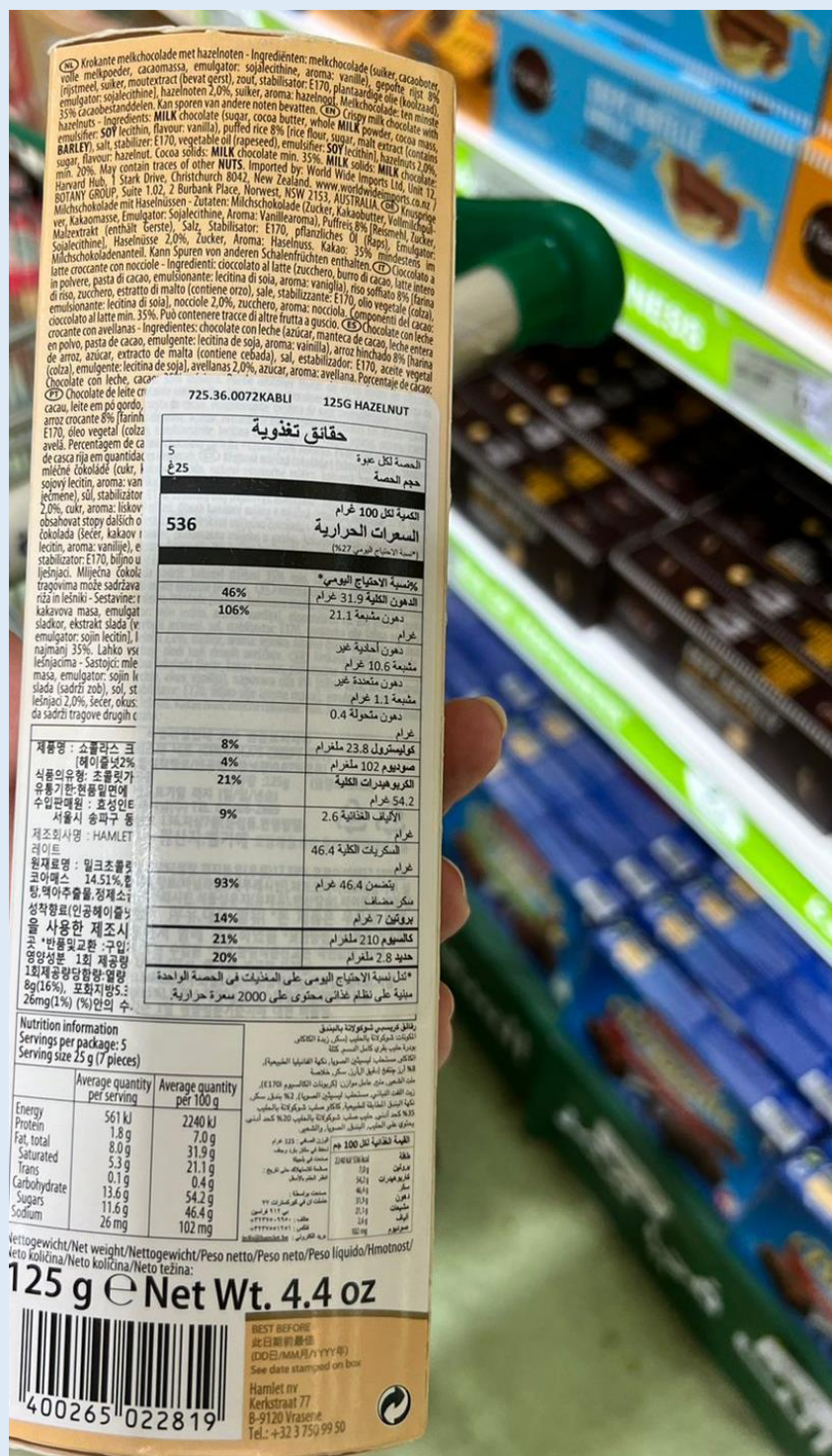


Above and below: chocolate ranges in a large supermarket.



The range of products available in major retail channels is generally based heavily on international and imported brands, with the packaging reflecting the brand in question. Flexible plastic is most popular, with some cartons used for boxed assortments and in some cases, bars. Stand up pouches are becoming more popular for certain categories – notably bags and pouches – with their self-standing nature helping them to stand out

on retailers' shelves. Indeed, the use of stickers to contain mandatory information is quite common in view of the high presence of imported products.



Above: back side of an imported product with a sticker.

Pack sizes are showing a trend of reduction in size, in face of increasing concerns around obesity. Bite-sized chocolate packages are increasingly popular. In view of the

package size trends, packaging design is becoming increasingly important for product differentiation.

Below: imported tablets with price reductions.



It is not uncommon to see price reductions offered on products.

Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

Several recent market trends are impacting the Saudi Arabian market which has helped to overall facilitate the growth of the products popularity in the country.

- Firstly, **dark chocolate** is growing in popularity in the country aided by the perceived health benefits surrounding dark chocolate products when compared to other chocolate varieties. Previously, dark chocolates were primarily ordered by high-end luxury hotels and resorts to serve expats and tourists. However, local consumers are now switching to dark chocolate.
- Consumers further are increasingly seeking out **high-end premium chocolate products** in line with rising incomes and the increased desire for premium products. This is also assisting demand for **craft** chocolates, with an increase in the number of boutique chocolate shops. These shops are particularly popular for gifting chocolates and often they offer personalisation opportunities. It is common for these high-end and craft chocolates to feature quality flavours without artificial preservatives.
- Connected to the premium trend is that of increased interest in **organic** chocolates. Mainstream players increasingly offer organic variants of their products.
- The rise of **e-commerce** is making it easier for consumers to seek out their favourite chocolate brands and varieties which is aiding growth. Chocolate purchases through e-commerce are gaining traction with younger consumers in particular. Saudi Desert Cart and Kluesa are two examples of e-shops which have gained traction in recent years. Producers are also increasingly engaging with consumers through electronic media, whether in the form of promotion or direct sales. Bostani, Patchi and Chocoline have all been active in this area.

Overall, the lifting of COVID-19 restrictions is returning consumer confidence in the country which allows for the increased capacity for consumers to splurge on their food and beverage purchases which aides chocolate sales as chocolate is often viewed as a luxury product. Despite this, sales are expected to continue to be restricted by price-sensitivity due to the lingering economic effects of COVID-19 and related inflationary pressure and supply chain issues, as well as the climate due to the hot temperatures in Saudi Arabia which impact chocolate sales in the country.

5.5.3 Offer

Domestic production

Chocolate production in Saudi Arabia is small as the country's climate does not allow for the production of the key ingredients needed for chocolate production such as cocoa beans. Most of the production in the country is instead focused on smaller producers who tend to specialise in the production of artisanal and luxury chocolates to compensate for the need to import cocoa beans from abroad. That said, there are also a number of regional companies with production facilities in Saudi Arabia. This includes, most notably, premium Lebanese chocolate maker Patchi; as well as ChocoBlooms, Lala Chocolate, and Bateel. The Ministry of Industry and Mineral Resources reported, in 2021, that there

were just over 1 000 chocolate producing sites in Saudi Arabia, with Riyadh accounting for the largest number of these (around 35%). Estimates from trade and consumption data indicate that Saudi Arabia produces roughly 50% of the chocolate that it consumes – highlighting the strong reliance on imports.

That said, the government has highlighted its desire to expand and grow the country's production of chocolate via the use of subsidies and educational programs which further highlights an overall desire from the government to diversify its food and beverage production base. There are early signs that efforts to expand chocolate production may be paying off.

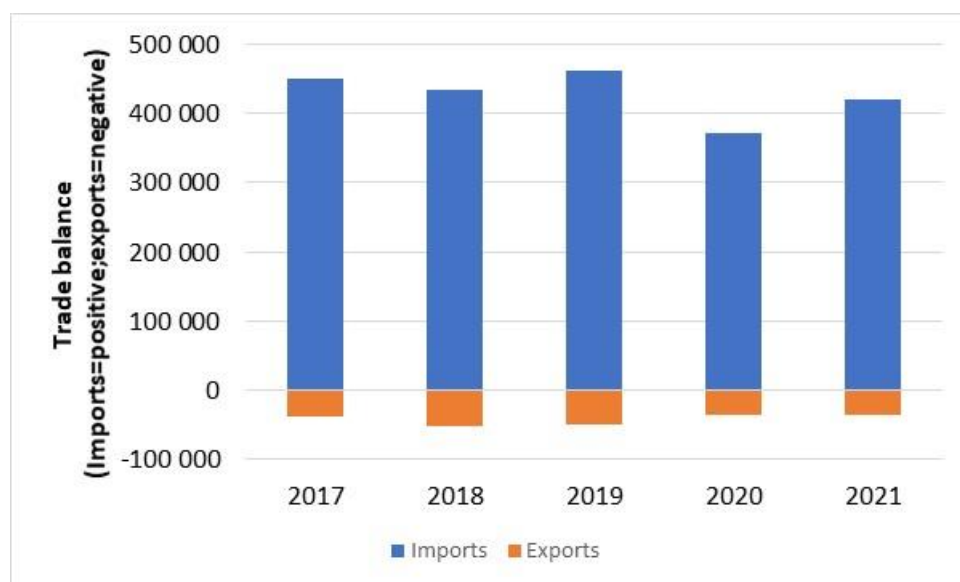
As a result of the small domestic production base, the largest chocolate companies in the Saudi Arabian markets are large producers from abroad such as Mars, Nestle and Ferrero; followed by some of the aforementioned regional players.

Imports and exports

Figure 5-20 below shows that Saudi Arabia is a net importer of chocolate confectionary products. Total imports of chocolate to Saudi Arabia were valued at EUR 370 million in 2021 while total exports of chocolate came to a value of EUR 35 million in 2021.

In 2021 the three main exporters of chocolate confectionery to Saudi Arabia were Egypt, Russia and the UAE (Figure 5-21). Italy was the largest exporter from the EU and total exports came to a value of EUR 45 million in 2021. The next largest exporters from the EU are Belgium (EUR 30 million), the Netherlands (EUR 20 million) and Germany (EUR 17 million). Overall, The EU accounts for around 35% of total chocolate exports to Saudi Arabia.

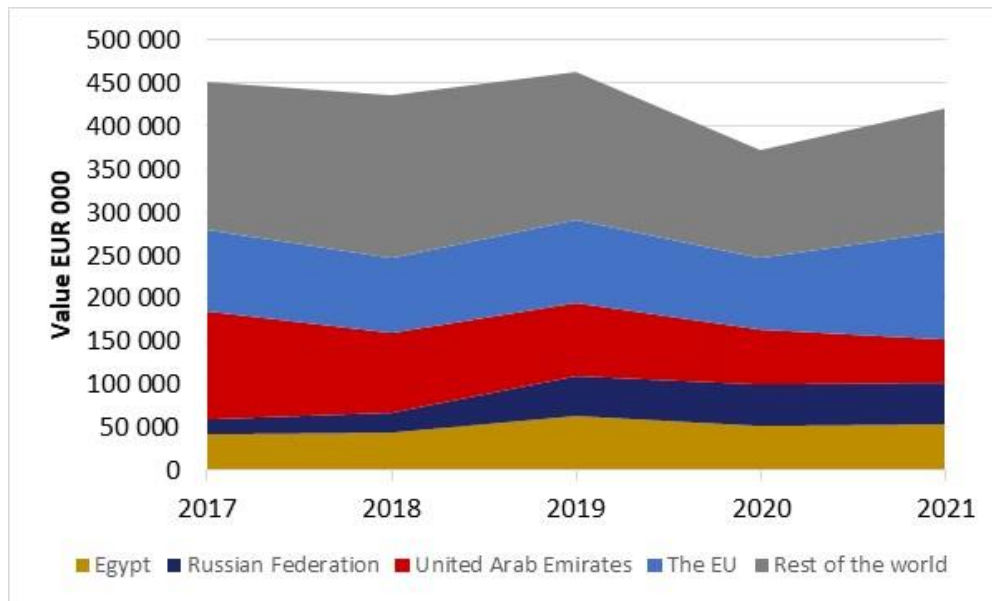
Figure 5-20: Trade balance (imports and exports) of chocolate confectionery in Saudi Arabia, 2017-21 (EUR 000)



Data for CN code 1806.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Figure 5-21: Saudi Arabian imports of chocolate confectionery by country, 2016-20 (EUR 000)

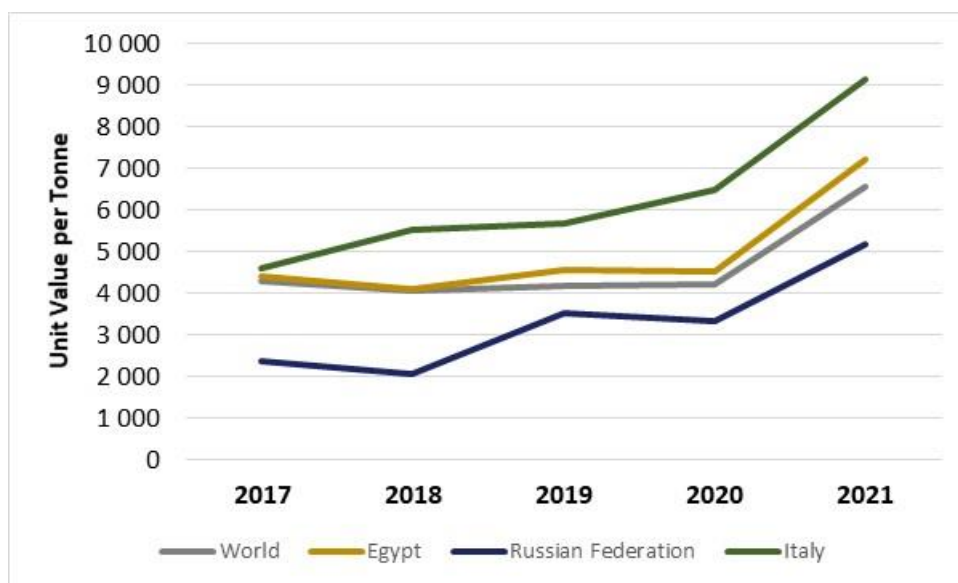


Data for CN code 1806

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

The world's average unit value of chocolate confectionery exports to Saudi Arabia was about EUR 6 550 per tonne in 2021 as depicted in Figure 5-22. Chocolate exported from Italy had one of the highest unit values of about EUR 9 160 per tonne. The unit value of chocolate from Russia was below the world's average at approximately EUR 5 200 per tonne while chocolate from Egypt was at EUR 6 550 per tonne.

Figure 5-22: Per unit value of Saudi Arabian imports of chocolate confectionery for selected countries, 2017-21 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1806

EU GI products

As noted in section 4.2.4, there is currently no agreement in place between Saudi Arabia and the EU on GIs. However, there is the possibility for GIs to be registered as collective marks or control/certification marks in Saudi Arabia. Interested exporters should consult their GI body to check whether or not this has been done / is being considered.

Main competitors

The main competition for EU chocolate confectionery products in the Saudi Arabian market comes from a combination of domestic production (led by large multinational chocolate producers) plus imports most notably from within the wider Middle Eastern region such as Egypt and the UAE coupled with competition from further afield such as Russia, the UK and India.

5.5.4 Specific market entry requirements

Market Access and Entry

Requirements specifically for the import of chocolate confectionery include, among others, a certificate of analysis and importer registration at the SFDA. A certificate of dioxin content may be required in certain circumstances. A full list is provided in Table 4-2. These are in addition to the general import requirements set out in Table 4-1.

In terms of tariffs, for chocolate products (HS code 1806) tariffs are between 5%-15%. Also, there is a prohibition on the exportation of chocolate which contains alcohol. More details can be found at the links below.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – general chocolate confectionery category (1806) from Belgium to Saudi Arabia:

<https://trade.ec.europa.eu/access-to-markets/en/results?product=18063190&origin=BE&destination=SA>

Standards, SPS measures, labelling

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

The key standard for chocolate is GSO 567:2021. This standard can be purchased at the following link:

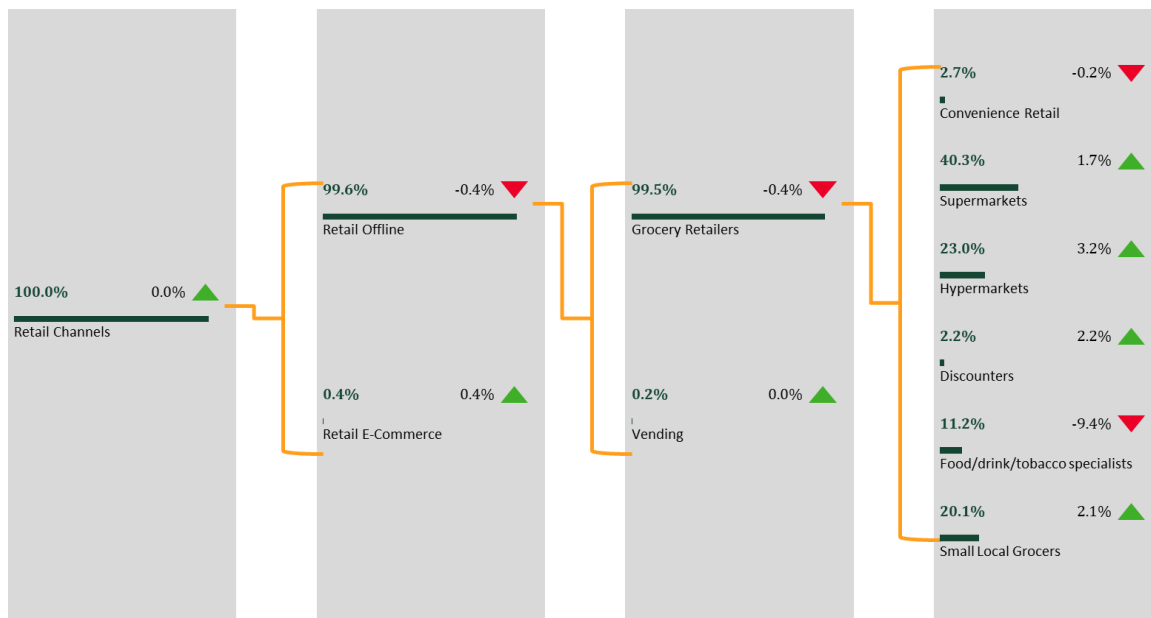
<https://www.gso.org.sa/store/standards/GSO:781054/GSO%20567:2021?lang=en>

Section 4.2.3 contains detailed information on the labelling requirements for packaged foods in general, the key piece of legislation regarding the labelling requirements for packaged foods is GSO 9. Also, Saudi Arabia has implemented a nutritional score traffic light label requirement for packaged food products.

5.5.5 Distribution

As shown in Figure 5-23 chocolate confectionery is virtually exclusively sold through grocery retailers (which accounts for 99.6% of total retail sales), with only 0.4% of total retail sales coming from non-store-based internet retailing. Supermarkets account for 40% of chocolate distribution in Saudi Arabia followed by hypermarkets with a share of 23% and small local grocers with a share of 20%. Food/drink and tobacco specialists accounted for 11.2% while convenience retailers accounted for 2.7% of sales. E-commerce is a growing market and today accounts for 0.4% of sales with this percentage expected to grow in upcoming years.

Figure 5-23 Distribution channel overview of chocolate confectionery in Saudi Arabia (2022); % share



Source: Euromonitor International: Packaged Food, 2022.

5.5.6 Challenges for EU products

Challenges for EU products in the Saudi Arabian market include the need for products with certain ingredients to be halal certified when entering the market; especially for chocolates which incorporate fillings which are often derived from gelatine which is considered haram if from pork, and thus needs to be halal-certified or 100% plant based. It should also be noted that mandatory halal requirements are evolving. This coupled with the growth of the domestic production sector and the presence of exports from Egypt, Russia and the UAE are the biggest challenges in the Saudi Arabian market for EU chocolates. There are additional challenges from certain local trends: interest in Arabic specialities (such as those containing dates) favours local and regional producers; and novel regional innovations such as the introduction of camel milk chocolates by UAE-based Al Nassma creates a segment EU producers are not likely to be able to enter.

EU chocolate producers who focus on the high-end artisanal market are best positioned to succeed in Saudi Arabia as consumers of these products are generally brand conscious and will seek out the most luxuries (often EU-based) chocolate brands.

Market Takeaway: Chocolate and confectionery

Consumption: Consumption of both chocolate and sugar confectionary products in Saudi Arabia is growing across all categories as the diet of the country in general continues to be increasingly influenced by western consumption habits. The largest consumers of chocolate in the country are young people (over half the population) and children.

Competition: Egypt, Russia and the UAE are the biggest exporters of chocolate to the country with Egypt and the UAE both having trade and logistical advantages over the EU. Domestic production is small however growing, particularly within artisanal chocolates.

Distribution: Chocolate confectionary products are nearly exclusively sold through store-based retailers such as supermarkets and independent small grocers. E-commerce retailing is currently very low but is likely to keep increasing.

Challenges: The need to be halal certified coupled with competing with chocolate products from Egypt, Russia and the UAE needs to be considered. Also, increasingly chocolate producers within Saudi Arabia are focusing on the production of an artisanal chocolate products which is a key EU chocolate export. Fears surrounding health concerns are further driving demand for low-fat, sugar and calorie chocolates which may cause some producers to pivot production of their products prior to entering the Saudi Arabian market.

Opportunities: Chocolate confectionary products of all categories are expected to see growth in overall consumption in the short term. Chocolates are also increasingly gifted around important holidays such as Eid which leads to a spike in demand for chocolate around these holidays. Artisanal chocolates are increasingly in demand which is a direct positive for EU chocolate exports to the country.

5.6 Processed fruit and vegetables

5.6.1 SWOT analysis

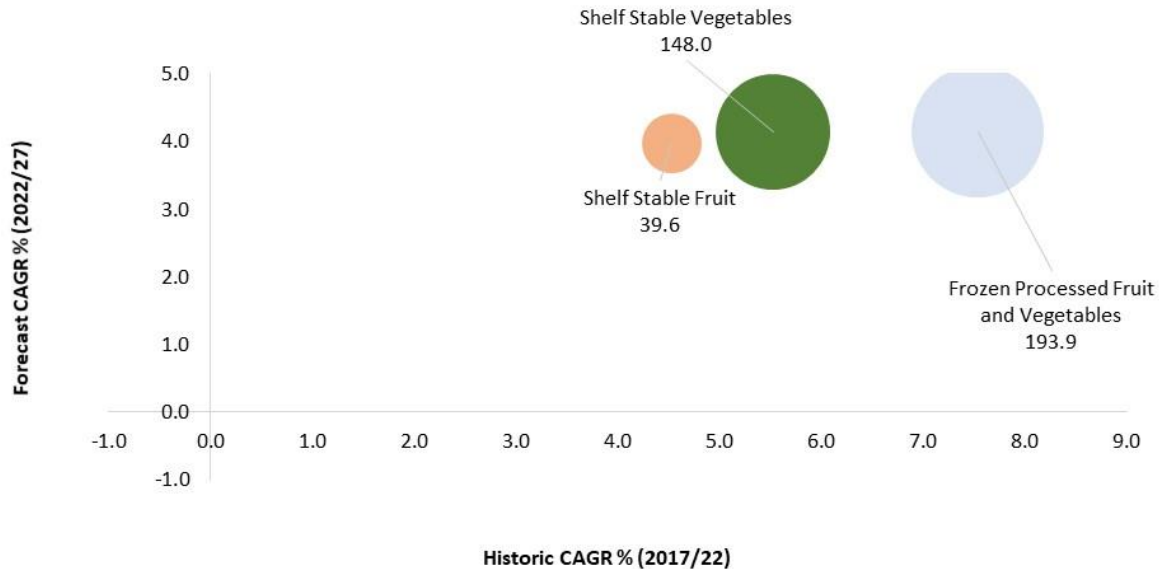
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> Frozen fruit and vegetable consumption is growing. Saudi Arabia lacks the capacity to mass produce a variety of fruit and vegetable products to scale due to the country's climate. 	<ul style="list-style-type: none"> Preference for fresh fruit and vegetable products. Limited cold storage facilities to accommodate the large-scale exportation of processed frozen fruit and vegetable products.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> An urbanising population is continuously seeking convenience foods. The return of the important food service sector coupled with the rise of e-commerce usage. Rapid grow of demand for frozen mixed vegetables in recent years. 	<ul style="list-style-type: none"> Other larger processed fruit and vegetable producers such as the US, UK and Turkey. Consumers growing increasingly health conscious leading to many seeking out premium processed fruit and vegetable products. Unclear facility registration requirements.

5.6.2 Consumption

Evolution of consumption

Frozen processed fruit and vegetables have the highest retail value at EUR 193 million and are expected to have a forecasted positive CAGR of 4.1% between 2022 and 2027. This is followed by shelf-stable vegetables which have a smaller retail value of EUR 148 million and is expected to grow by a positive CAGR of 4.1% between 2023 and 2027. Shelf-stable fruit is the smallest overall category with a retail value of EUR 39 million and a predicted positive CAGR of 4% between 2023 and 2027, as shown below in Figure 5-24.

Figure 5-24 Evolution and forecast of the processed fruit and vegetable market in Saudi Arabia, 2017-2027 (retail value, EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumers

Consumers of processed fruit and vegetables are varied and spread out in age and income groups; however, the larger consumers are most likely to fall into one or more of the following groups:

- **Younger urbanised consumers** who value the convenience of quicker cooking habits more than older generations. Younger consumers are also generally more health conscious and will spend more on premium products such as imported frozen fruit and vegetable products. Online home delivery services also compliment the demand for processed fruit and vegetable products amongst younger urbanised consumers.
- **Families, most notably those which include working mothers.** This is as parents value the convenience of quickly preparing meals for their children. Working women, with or without families, may also include processed fruit and vegetable products in lunchboxes.
- **Lower income consumers.** This is driven by the combination of products being storable for longer periods at room temperature; convenient for consumers with no or limited fridge space; and the low price of some processed products such as tomatoes and beans.
- **Single expatriates.** Many of the expatriates (which are estimated to make up around a third of the Saudi population) both belong to lower income groups, and may be single. With often limited access to refrigeration and cooking facilities, processed fruit and vegetables are an attractive and convenient option.

Finally, it should be noted, as will be seen later in section 5.6.5, food service is an important outlet for processed fruit and vegetable products; effectively making them a key consumer group.

Drivers and method of consumption

Key drivers of processed fruit and vegetable products in Saudi Arabia include:

- Ease of stocking and long shelf life. This most notably includes the lack of a need for refrigeration, which is a major driver among some of the segments identified in the previous sub-section.
- Affordability is another driver for some of these segments. This is a combination of a lower price (particularly when products are purchased in multi-packs) and lower wastage due to longer shelf life which further contributes to affordability.
- Availability for certain products which may be challenging to source fresh (e.g. some berries). The widespread availability of a wide range of processed fruit and vegetables in distribution channels further contributes to this.
- The appeal of having a quick and nutritious meal prepared within the home.
- Increased demand for convenience food including processed fruit and vegetables, partly driven by the return of workers to the office coupled with rising female participation in the workforce

The large youth population of the country coupled with rising income further makes processed fruit and vegetable appealing to the Saudi Arabian consumer base as younger consumers value quick and nutritious meals to a greater degree than older consumers. The more popular processed fruit and vegetable products consumed in Saudi Arabia include:

- **Canned fruits and vegetables:** beans account for almost half of canned fruit and vegetable sales, and tomatoes around 15%. Other fruit and vegetable types are much less popular, though generally available. Beans are commonly used in stews and soups, while tomatoes may be used in western origin (e.g. Italian) dishes as well as sauces and soups.
- **Dried fruits:** apricots and prunes are particularly common, with both commonly consumed as a snack.
- **Frozen fruit and vegetables:** potatoes are the most popular sub-category within this group accounting for around 40% of the market. They are widely consumed across mealtimes, whether in the form of hash browns, French fries or another form. Particularly common vegetables include: garden peas, mixed vegetables and the Middle Eastern vegetable molokhia; together these account for around 2/3 of the remaining frozen vegetable market. Most notably, demand for molokhia and mixed vegetables has grown rapidly (above 15% per year) in recent years. Corn and green beans are among the most popular other types. Frozen fruit is most commonly used in dessert recipes during the times of year that the corresponding fresh produce is not widely available.

Purchase criteria

When it comes to the key purchasing criteria from consumers of processed fruit and vegetables in Saudi Arabia, many consumers (particularly younger consumers who are a large consumer group of processed fruit and vegetables) are health conscious and will seek out processed fruit and vegetables which are low in sugar, fat and calories and preservative and/or additive-free. Non-GMO is another commonly used claim which may be taken into account by consumers due to them connecting it to safety. Organic processed fruit and vegetable products are also increasingly in demand in the country.

Brand name is another criterion which consumers take into account, with the more well-known brand names associated with good quality, healthy, fresher products. Finally, with convenience a major driver, packaging does play a role. For example, metal cans are popular for shelf stable products, and the purchase decision may also be influenced by the pack size.

Processed fruit and vegetable products on retailers' shelves in Saudi Arabia

The pricing of processed fruit and vegetables inevitably depends on the type of fruit/vegetable itself. That said, some rough indications are provided below:

- Mainstream types (e.g. tinned tomatoes, general frozen vegetables): SAR 10 to 20 (EUR 2.50 to 5) per kg.
- More specialist types (e.g. frozen berries, preserved oranges, frozen ochra): SAR 20 to 60 (EUR 5 to 15) per kg.



Above: frozen fruit in a supermarket.

In terms of packaging, the type depends on the nature of the product. Flexible packaging is the overall most common packaging type, though this is primarily due to its use for frozen products. Shelf stable products are more likely to use easy-open metal cans, or in some cases, jars (which are generally seen as less attractive due to weight and their potential for breakage).



Above: examples of canned packaging. Below: example of jar packaging.



Large pack sizes and multipacks are increasingly popular of late. Two of the more common pack sizes for frozen goods are 400g and 900g; with the latter proving more popular. Shelf stable glass jars are commonly 580g or 600g, though some larger formats exist too. Pack sizes for metal cans vary, but it is increasingly common to find metal cans sold as multipacks (e.g. three packs of 185-200g), though the traditional 400g can remains popular for some types such as tomatoes.

Below: frozen vegetables, in different forms.



Images © Euromonitor International / Agra CEAS, 2023.

Recent market trends

The hot climate of Saudi Arabia coupled with the country's mainly desert topography has meant the country has been a large net importer of both fresh and processed fruit and vegetable products. This in turn leaves the country vulnerable to supply side issues and externalities outside of its control as can be observed in a recent example where a difficult harvest in Belgium and Holland for potatoes led to shortages in Saudi Arabia of frozen potatoes. Saudi Arabia is investing in upgrading its domestic production base as discussed in the next section however the lack of major cold storage facilities remains an issue regarding production in the country.

Recently, as part of the health-focused trend, there has been small but growing interest in functional benefits, as demonstrated by the claims certain producers have used on processed fruit and vegetable product labelling (e.g. "Good for your digestive health as well as for heart health" on frozen peas). However, care with such statements must of course be taken to comply with the local legislation on claims.

Another consumer focused trend of late is that of promotions and multipacks. Volume purchases have become more common against an inflationary backdrop – particularly in the case of the more price sensitive consumer groups.

The reopening of the food service sector post-COVID-19 reopened one of the major distribution channels of processed fruit and vegetable products and a return to growth has been recorded in the country regarding the sale of these products. Finally, the growth of the e-commerce market is set to benefit processed fruit and vegetable sales as retailers utilising e-commerce channels tend to be large with established logistical links that allow them to sell processed fruit and vegetables to a greater degree.

5.6.3 Offer

Domestic production

The main processed fruit and vegetables that Saudi Arabia produces include dates which are often processed into jams, syrups or a paste. Figs are also processed in the country into dried figs or fig jams.

There is also some production of other fruit and vegetable types; for example frozen molokhia, okra, and mixed vegetables; plus a few canned vegetables and frozen potatoes. A notable domestic producer is Sunbulah Food & Fine, which holds around 7% of the market. Other, smaller local producers are also active. Domestic production is benefitting partly from efforts to increase domestic fresh fruit and vegetable production (see section 5.2.3).

Imports and exports

Identifying data on trade in processed fruit and vegetable products is extremely complicated due to the number of different lines and customs codes under which such products can be imported. Data on trade in processed fruit and vegetables is ultimately captured under the trade data for fruit and vegetables in section 5.2

EU GI products

As noted in section 4.2.4, there is currently no agreement in place between Saudi Arabia and the EU on GIs. However, there is the possibility for GIs to be registered as collective marks or control/certification marks in Saudi Arabia. Interested exporters should consult their GI body to check whether or not this has been done / is being considered.

Main competitors

The processed fruit and vegetable market in Saudi Arabia remains relatively small standards but it is growing. The main competitors come from limited domestic production of certain processed fruit and vegetable products derived from figs, dates and olives coupled with the influx of imports from large, processed fruit and vegetable producers such as the US.

5.6.4 Specific market entry requirements

Market Access and Entry

The required documents to export products are set out in section 4.2. In addition to the general documents required to export food and beverage products to Saudi Arabia (Table 4-1), there are a variety of requirements specific to processed fruit and vegetables (Table 4-2). These include most notably, in certain cases: registration as importer of agricultural goods with Ministry of the Environment, Water and Agriculture; registration with the Saudi Food and Drug Authority (SFDA); a radiation certificate; a permit to import plant and plant products; and a phytosanitary certificate.

There is a requirement for facility registration for facilities exporting frozen processed fruit and vegetables to Saudi Arabia; though the precise scope of the requirement (in terms of exactly which products) is unclear from available SFDA documentation. A list of accredited facilities can be found at the following link: https://www.sfda.gov.sa/en/list_countries_products. It is recommended that this requirement be discussed with import partners and/or verified with the SFDA prior to export.

In terms of tariffs, processed fruit and vegetable product generally face tariffs in the 5 to 12% range.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – Frozen vegetable category (0710) from Spain to Saudi Arabia:

<https://trade.ec.europa.eu/access-to-markets/en/results?product=071010&origin=ES&destination=SA>

Standards, SPS measures

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

There are a range of standards which may apply to processed fruit and vegetables. For example:

- GSO CODEX STAN 260:2021 applies to pickled vegetables. It can be purchased at:
<https://www.gso.org.sa/store/standards/GSO:791808/GSO%20CODEX%20STAN%20260:2021?lang=en>
- GSO CODEX STAN 319:2021 applies to canned fruit. It can be purchased at:
<https://www.gso.org.sa/store/standards/GSO:794715/GSO%20CODEX%20STAN%20319:2021?lang=en>

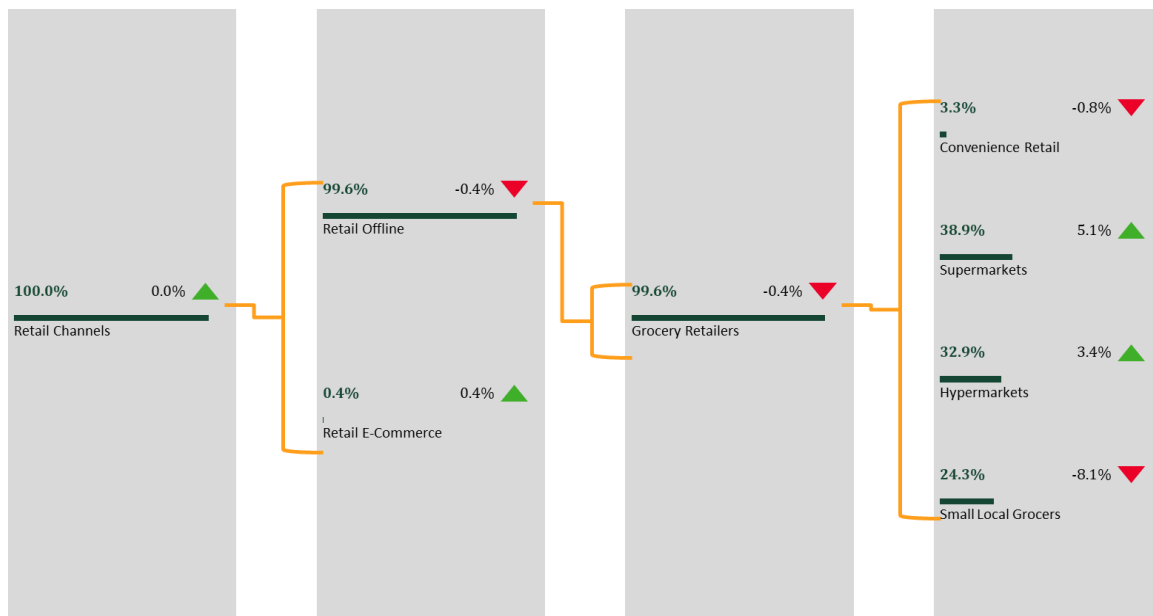
It is recommended that the list of GSO standards for fruit and vegetables be consulted to identify if there are any standards relevant specifically for the product being exported. This list can be found at: <https://www.gso.org.sa/store/standards?ics=67.080>

Drafts of some of these standards can be found on the SFDA legislation website https://www.sfda.gov.sa/en/regulations?tags=1&keys=®ulation_type=All&date%5Bmin%5D=&date%5Bmax%5D=&page=2 (note: these are the notified drafts, and not necessarily the final adopted versions).

5.6.5 Distribution

As can be seen Figure 5-25, grocery retailing remains largely the only channel to purchase processed fruit and vegetables in Saudi Arabia. Modern retailers dominate distribution. Supermarkets account for 38.9% of all processed fruit and vegetable sales in Saudi Arabia, with hypermarkets accounting for 32.9% of total sales. Small local grocery retailers accounted for 24.3% of all sales with convenience retailers accounting for 3.3% of sales.

Figure 5-25 Distribution channel overview of processed fruit and vegetables in Saudi Arabia (2022); % share



Source: Euromonitor International: Packaged Food, 2022.

However, it is important to note that food service is the key overarching distribution channel for processed fruit and vegetable products, accounting for almost 55% of all processed fruit and vegetable products (retail on the other hand accounts for a bit over 40%, with the small balance passing through institutional channels).

5.6.6 Challenges for EU products

The main challenge for EU products in Saudi Arabia include the preference for fresh fruit and vegetable products amongst most consumers in the country and the hot climate of the country which adds additional logistical challenges to the exportation and storage of frozen fruit and vegetable products. Additionally, consumers are increasingly seeking processed fruit and vegetable products of low sugar, fat and calorie content coupled with a rising demand for organic processed fruit and vegetable products which needs to be taken into account when exporting to the country.

Market Takeaway: Processed fruit and vegetables

Consumption: *The main consumer groups are young urban consumers and parents who each value the quick convenience that processed fruit and vegetable products provide, older consumers are less likely to appreciate this trait of processed fruit and vegetables.*

Competition: *Limited competition from the domestic product which focuses on the products of processed dates, figs and olives. Main competition from other large, processed fruit and vegetable producers such as the US, UK and Turkey.*

Distribution: *Mainly sold through modern grocery retail channels. Supermarkets accounted for 38.9% of total sales. Hypermarkets accounted for 32.9% of sales while small local grocers accounted for 24.3% of sales.*

Challenges: *The preference for fresh fruit and vegetable products and the logistical challenges surrounding exporting frozen processed fruit and vegetable products to the hot climate of Saudi Arabia stand out as the biggest overall challenges for EU processed fruit and vegetable exports.*

Opportunities: *A growing population which increasingly is seeking out convenience foods coupled with the reopening of the food service sector in Saudi Arabia are two of the bigger opportunity areas in the market. Demand for frozen mixed vegetables has grown particularly quickly (alongside demand for molokhia).*

5.7 Baby food

5.7.1 SWOT analysis

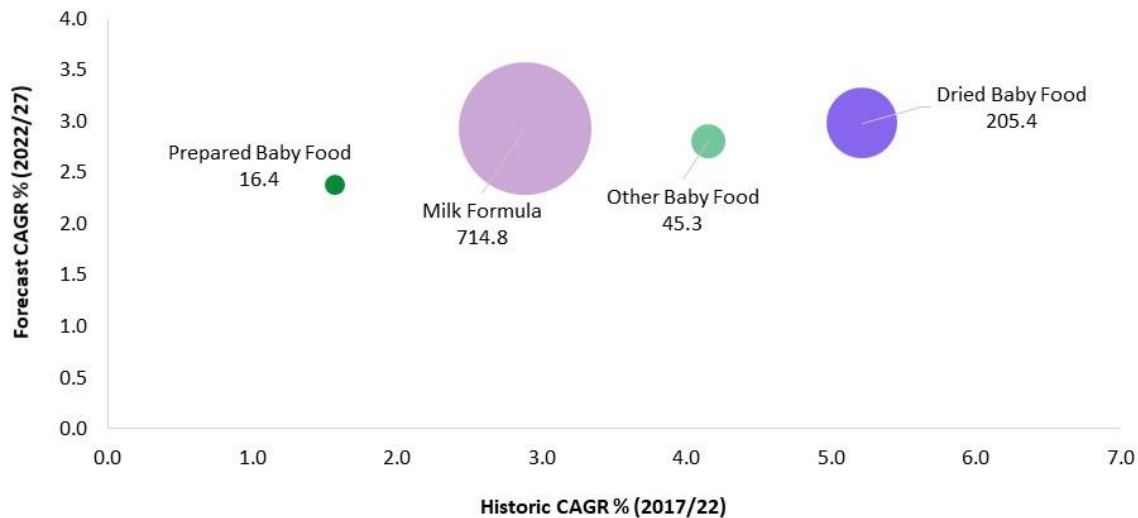
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ Very strong reliance on imports to meet demand. ▪ Due to some historical actions, formula milk has become both widely accepted and used in Saudi Arabia. 	<ul style="list-style-type: none"> ▪ The market for baby foods other than formula milk is very small. ▪ Saudi government removed price subsidies on formula milk in 2020, resulting in an increase in price for consumers and decreased interest among lower income groups.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Despite some of the challenges, the market is set to grow healthily over the coming five years, partly boosted by the increasing female working population. ▪ Increased interest in organic products. ▪ Innovative products (which can often already be found in other markets) are gaining in popularity. 	<ul style="list-style-type: none"> ▪ Strong competition from the well-established brands of multinational which dominate the market. ▪ Domestic production likely to increase in coming years from its low base. ▪ Falling birth-rates and a push towards breastfeeding put downwards pressure on the market.

5.7.2 Consumption

Evolution of consumption

The total market size of the baby food market in Japan was close to EUR 1 billion in 2022. As can be seen in Figure 5-26 below, milk formula accounts for around 70% of the total market, with a market value of EUR 715m in 2022. The market for milk formula grew at just under 3% per year in the five years up to 2022; and is forecast to grow at a similar rate going forward. Dried baby food is the second largest segment at EUR 205m. It was also the fast growing segment at just over 5% per year during the period 2017 to 2022. While it is forecast to remain the fastest growing segment over the period to 2027, growth will drop to 3% per year. The segments of other baby food and prepared baby food can be considered somewhat niches, with market values of EUR 45m and EUR 16m respectively in 2022. While the former segment grew much more quickly over the last five years both segments are forecast to grow at between 2.5% and 3% per year over the coming five years.

Figure 5-26: Evolution and forecast of the market for baby food (EUR million) in Saudi Arabia, 2017-2027



Source: Euromonitor International: Packaged food, 2022.

Consumers

Saudi Arabia's fertility rate currently stands at around 2.4 births per woman, having decreased fairly steadily from the very high level of 7.5 births per woman in the 1970s. This falling birth rate in turn has had some impact on demand for baby food. The birth rate is likely to remain under pressure in the coming years, with the increased use of contraception and financial uncertainty impacting it. With the importance of breastfeeding established in the Quran (up to the age of two), the practice is historically common, though in recent years bottle feeding has greatly increased in popularity. While initially this is often driven by a lack of milk, practical considerations also play a role. Furthermore, breastfeeding rates fall rapidly as the baby ages; while initially breastfeeding is almost universal, only around a third of mothers continue to breastfeed after the age of 9 months, and around 1/5th after 18 months. This makes the parents of older babies an important consumer segment. In line with this, growing up milk is the largest formula milk segment Saudi Arabia. This reflects the aforementioned fact that mothers tend to initially breast-feed before moving to formula milk usage; and is also a result of the increasing participation of women in the workforce.

The range of consumers has been affected by the decision of the Saudi government to stop subsidising milk formula in late 2020.²⁹ The result of this is that the price of formula milk has increased substantially and consumers with lower income levels have tended to look for alternatives (including breastfeeding, which has been increasingly promoted by

²⁹ This subsidy was originally introduced in 1987 as part of an initiative to improve infant health and nutrition by making infant formula more affordable to families. The subsidy had led to a notable increase in consumption, and as a result, arguably partially contributed to a halving in infant mortality rates between its introduction and 1986. However, concerns emerged about the fall in breast feeding and the possible negative impacts on child health of the high use of infant formula. Therefore, ultimately the subsidy was withdrawn in 2020 to encourage breastfeeding.

the government).

Drivers and method of consumption

As noted above, practicalities are a major driver in the consumption of baby food; and with breastfeeding rates dropping off after the first months of the baby's life, formula milk consumption is also connected to the child's age. Historically, endorsements by healthcare professionals has aided the consumption of baby food, with advertising activities further assisting with the popularity of certain brands.

Cases in which formula milk is more likely to be consumed in Saudi Arabia are as follows:

- Among returning-to-work mothers who choose not to breastfeed in order to continue with their job.
- As babies reach around six months in age and begin to transition from a liquid diet to solid foods. In this case, formula milk may be mixed with other foods (e.g. cereal, fruit or vegetables) so the food is more readily accepted by the baby.
- In the case that babies need to be fed outside the home. This can help overcome the challenge that breastfeeding in public is not appropriate.

It should also be noted that there are a range of products available for babies with special medicinal needs; some of which are only available by prescription. These tend to be twice the price or higher of regular formula.

With regards to prepared, dried and packaged baby food, infant cereals are more commonly consumed as babies begin the transitioning to solid foods. Indeed, they may be mixed with formula or breast milk. Prepared baby foods face stiff competition from home-prepared foods, including e.g. homemade purees. They are more likely to be purchased by busy parents who lack the time to prepare food or consumed in on-the-go situations which demand convenience.

Purchase criteria

The child's nutrition tends to be a consumer consideration when purchasing baby food. Increasingly this is leading to the organic status of baby food products being taken into consideration by Saudi consumers, as well as non-GMO certifications. Safety and trust are other key factors. These latter factors put trustworthy brands in particularly strong positions. Advertising including notably on social media platforms has been observed to help enhance the reputation of some baby food brands.

Halal status is a complex criterion. For many Saudi Arabia consumers it is a non-negotiable requirement; however, it is also mandated by law for products containing certain ingredients (see section 4.2.2); and this extends to baby food products with these ingredients. As a result consumers do care about the halal status but tend not to spend too much time specifically looking for it on baby food products due to the aforementioned mandatory requirements.

Price is taken into account by some consumers purchasing formula milk. With distribution somewhat fragmented at present, some players use price discounting to encourage purchases. This is negatively seen by the Saudi Arabian government as it is as seen as discouraging breastfeeding. The government is therefore considering mechanisms to allow it to have better control over sales.

Baby food on retailers' shelves in Saudi Arabia

In terms of pricing:

- Formula milk typically retails at around SAR 100 (EUR 25) per kg equivalent, with a few products achieving up to SAR 150 (EUR 37.50).
- Baby food, whether prepared/ready to eat or dried, typically retails for between SAR 60 and 14 (EUR 1.50 and 3.50) per 100g equivalent, though there are a handful of more expensive products on the market.



Above: infant milk on the shelves of a large retailer.

Packaging in the area of baby food is becoming more innovative in the face of increasing competition. While glass jars traditionally dominate the prepared baby food space, stand up and plastic pouches are quickly gaining traction due to their flexibility and light weight. 120 and 125g are common formats, though some 100g and 200g products can be found.



Above and below: baby food in large retailers.



For milk formula, metal tins are current the dominant package type, with 400 grams the most popular pack size. A few larger pack sizes (800g and 1200g) are also available. Metal is also a common packaging material for dried baby food.

Thin walled plastic containers are an emerging packaging type which is increasingly

used for various baby food products – most notably dried food at present, though its use across all baby food categories is likely to grow in coming years.

Below: close up of formula milk packaging.



Images © Euromonitor International / Agra CEAS, 2023.

Recent market trends

The market was strongly affected by the COVID-19 pandemic, and the aftermath of the trends during this period continue to have some impacts. With mothers (working ones in particular) staying at home during the pandemic providing more time close to their children, there was a strong tendency to breast feed at the expense of formula milk usage.

Nonetheless, growing up milk has had some substantial tailwinds of late, leading to its large share of the overall formula market. Most notably, with women increasingly participating in the workforce and obtaining greater independence, the need to juggle various commitments has made growing up milk an interesting option. That said, with the economic pressure of late, some consumers have opted to continue to feed follow-on milk to their infants rather than growing-up milk, due to price advantages. It should be noted that, among formula milk, increased interest is being shown in special products e.g. those targeting lactose intolerant infants.

As noted above, there is increased interest in the organic status of baby food products. This has played out recently by a range of producers launching organic product ranges; and these products being increasingly visible in retail outlets (particularly the larger chains). There is also some nascent interest in alternative products such those which are plant-based (dairy-free) and those which are gluten-free. Indeed, the premium market, which includes products with the aforementioned features and some other features or benefits, is growing.

It is possible to see some new product formats emerging such as plastic pouches for prepared baby food in order to offer convenience to consumers (something which is already popular in many other countries). However, the broader context of the market (domination of the formula milk and dried food segments) somewhat limits the scope for innovation in other categories.

5.7.3 Offer

Domestic production

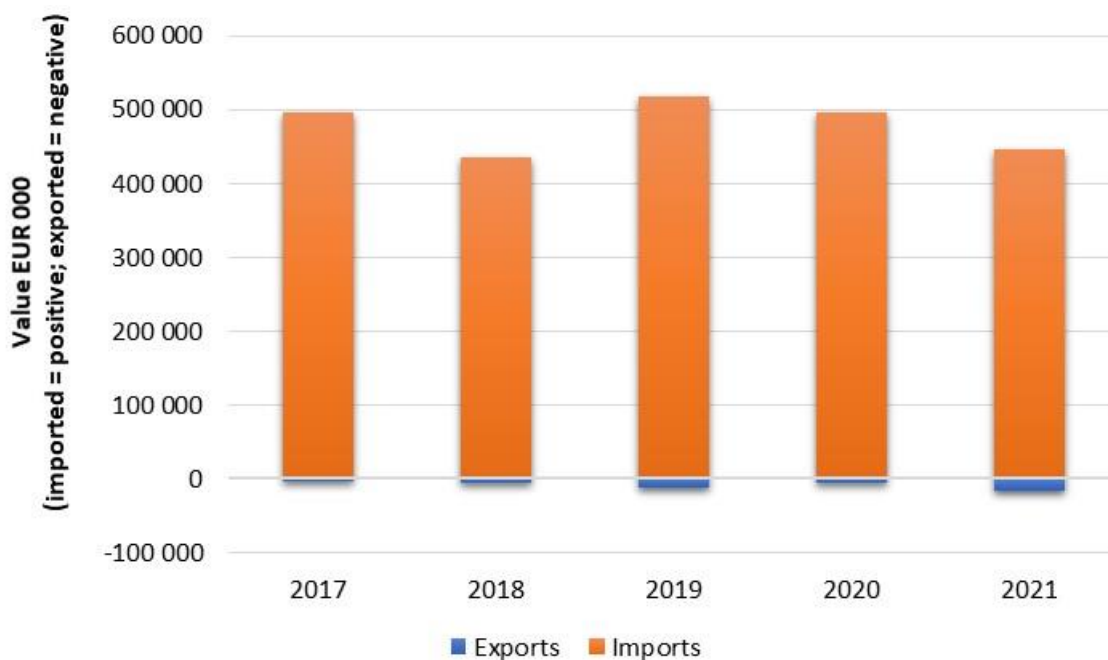
Nestle is the dominant player in the Saudi Arabian baby food market. It accounts for over 1/3 of the market by value. However, at present, Nestle does not have any listed infant formula production plants in Saudi Arabia, implying that all of its production is imported. Indeed, all the other major brands on the Saudi Arabian market are also imported products. Overall, local production of infant formula in Saudi Arabia is very limited. There is some limited production of formula from the companies Almarai, Nadec and Saudia Dairy and Foodstuff Company. However, with ongoing efforts to increase dairy production by the Saudi government, it is likely that local production of formula milk will increase as a result in the coming years. There is some local production of prepared and dried baby foods, albeit generally from smaller companies. Baby Bites and Yum by Mum are two examples, with both companies having fairly loyal followings of consumers despite their limited production capacity.

Imports and exports

Figure 5-27 shows that Saudi Arabia is a massive net importer of baby food. Imports in 2021 stood at EUR 446m, compared to exports of just EUR 15m. The level of imports has fluctuated over the last few years but shows a slight downward trend overall. Imports

peaked during the period in 2019 at EUR 516m.

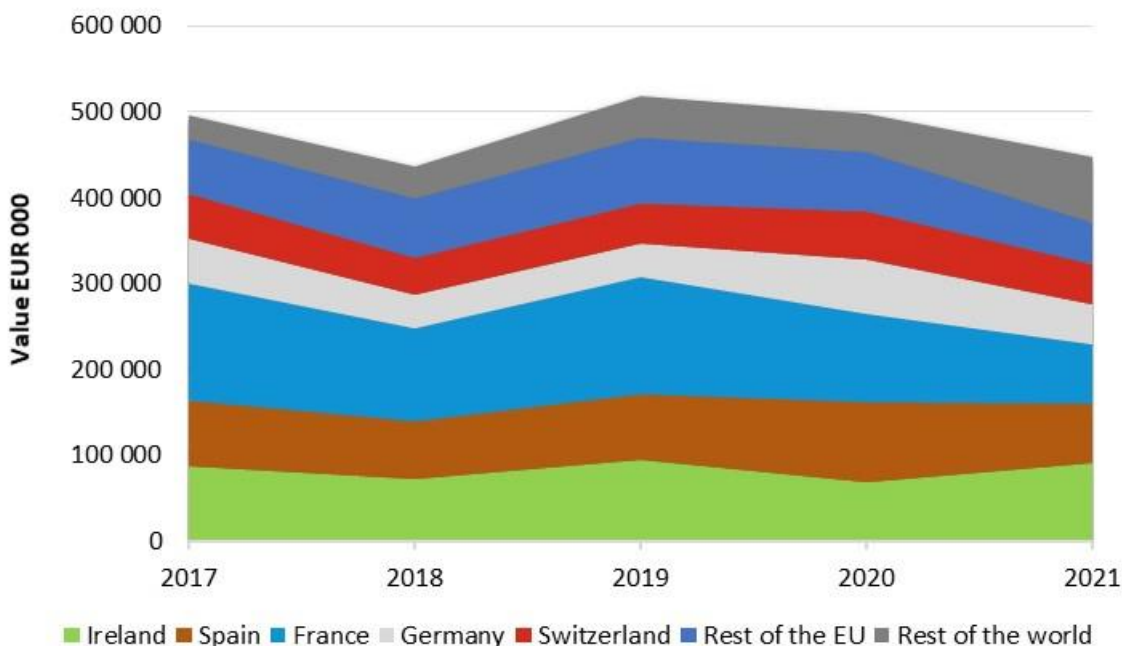
Figure 5-27: Trade balance (imports and exports) of baby food in Saudi Arabia, 2017-21; value EUR 000



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 190110

No one country dominates the import of baby food into Saudi Arabia. Ireland is the most important origin by value, just ahead of Spain and France. These three EU countries together account for a bit over 50% of imports by value. While Spanish and Irish imports have remained steady over the last five years, French imports have declined considerable. Germany and Switzerland are further important origins, each accounting for just over 10% of baby food imports. The rest of the EU accounts for a further 11% of imports. Overall, EU countries dominate Saudi imports of baby food.

Figure 5-28: Saudi Arabian imports of baby food by country, 2017-21; value EUR 000

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 190110

Main competitors

The market overall is dominated by a few large brands from multinationals such as Nestle, Danone, Abbot Laboratories, Ronasca, RB and Kraft Heinz. Indeed, combined they are estimated to account for around 2/3 of the market. There is ultimately a very strong reliance on imports to meet demand.

5.7.4 Specific market entry requirements

Market Access and customs procedures

Baby food products most notably require a certificate of analysis and may also require a veterinary health certificate for animal products plus a certificate of dioxin content depending on their content (i.e. if they contain dairy). The full list of specific requirements is outlined in Table 4-2. These are in addition to the general import requirements set out in Table 4-1.

In the case of breast milk substitutes, countries have to be authorised for export by the SFDA and facilities accredited. A list can be found at the following link (under the milk and milk products category) https://www.sfda.gov.sa/en/list_countries_products

Baby food under the HS code 190110 does not face tariffs.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – Preparations suitable for infants or young children category (190110) from Ireland to Saudi Arabia

<https://trade.ec.europa.eu/access-to-markets/en/results?product=19011010&origin=IE&destination=SA>

Standards and labelling

GSO 355:2021 is the key standard for infant and young children food. It can be purchased at the following link:

<https://www.gso.org.sa/store/standards/GSO:781576/GSO%20355:2021?lang=en>

The notified Arabic draft of this standard was published, in 2019, on the SFDA website. It is available at the following link: https://www.sfda.gov.sa/sites/default/files/2019-06/InfantsYoungChildrenFood_15.pdf

There is a standard specifically for infants Formula, follow on formula and formulas for special medical purposes. This is GSO 2106:2021. It can be purchased at the following link: <https://www.gso.org.sa/store/standards/GSO:781135/GSO%202106:2021?lang=en>

Once again, the notified Arabic draft of this standard was published, in 2019, on the SFDA website and is available at the following link:

https://www.sfda.gov.sa/sites/default/files/2019-06/InfantsFormulaa_18.pdf

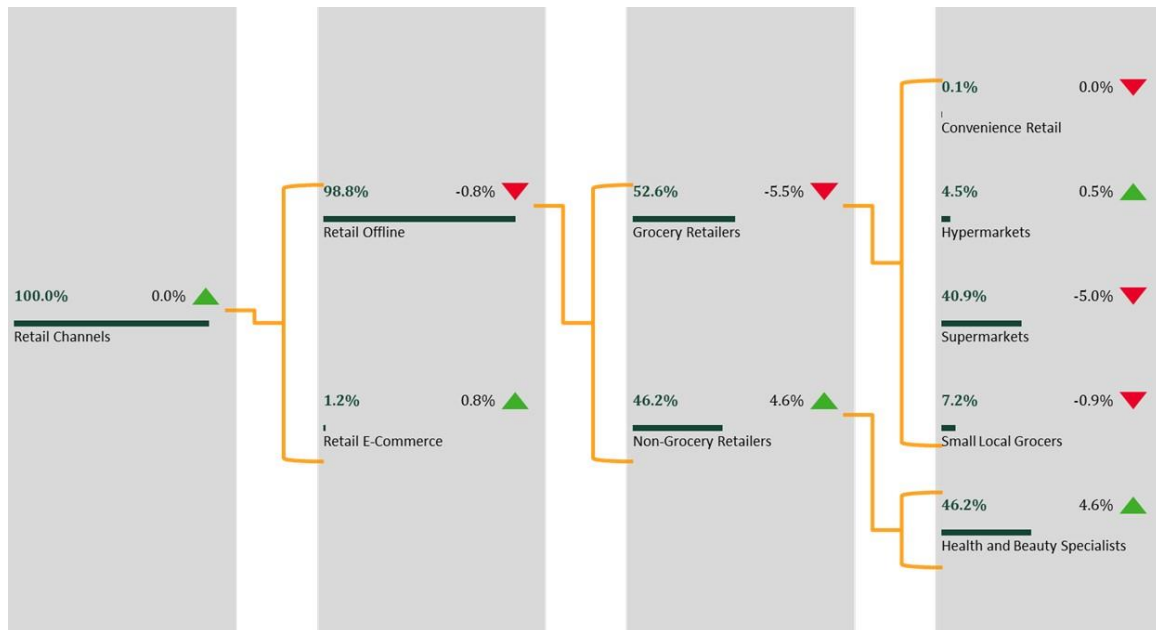
It is important also to take into account halal requirements. Depending on the ingredients, they may apply for baby foods. Please see section 4.2.2 for more details.

5.7.5 Distribution

Figure 5-29 below shows distribution channels of baby food in Saudi Arabia. Offline retail continues to dominate (almost 99%). While e-commerce has grown in recent years, it accounts for just 1.2% of sales by value.

Among offline retail channels, there is an almost equal split between grocery and non-grocery retailers. The single most important sub-channel is that of health and beauty retailers (non-grocery), which account for 46% of all baby food sales in Saudi Arabia. Supermarkets (grocery) is the second most important sub-channel with just under 41%.

It should be noted that the Saudi Arabian government used to provide subsidies for milk formula sold through certain channels such as modern grocery retailers and pharmacies. The removal of these subsidies is beginning to affect distribution channels and will likely continue to do so in the foreseeable future. E-commerce channels could be a beneficiary, though it should be noted that the government is also considering mechanisms for greater control over the sale of formula milk.

Figure 5-29: Distribution of baby food in Saudi Arabia (2022); retail value

Source: Euromonitor International: Packaged food, 2022.

5.7.6 Challenges for EU products

The market overall is dominated by a few large brands from multinationals which account for around 2/3 of the market. Many of their brands are well regarded and respected by consumers – a fact that benefits them given the focus of many consumers on safety and trust. Furthermore, the market itself is under pressure somewhat due to falling birth rates and a strong push towards breastfeeding. Nonetheless and despite the removal of subsidies, the market for baby food is forecast to grow over the coming years. While local production at present is low, it is likely to increase in coming years, partly as a result of initiatives to boost dairy production as a whole. Finally, the challenges around legislative compliance should not be underestimated.

Market Takeaway: Baby food

Consumption: *Formula milk is by far the largest segment, with growing up milk particularly popular.*

Competition: *The market is heavily dependent on imported products. European countries feature strongly among the country origins, though ultimately a few larger brands dominate the market.*

Distribution: *The main channels are health and beauty specialists and supermarkets – combined they account for almost 90% of retail sales.*

Challenges: *legislative compliance; entering a market which is dominated by some large brands; and downwards pressure on the market due to falling birth rates and a push towards breastfeeding.*

Opportunities: *increased interest in organic products. Innovative products / formats emerging outside formula milk.*

5.8 Sugar confectionery

5.8.1 SWOT analysis

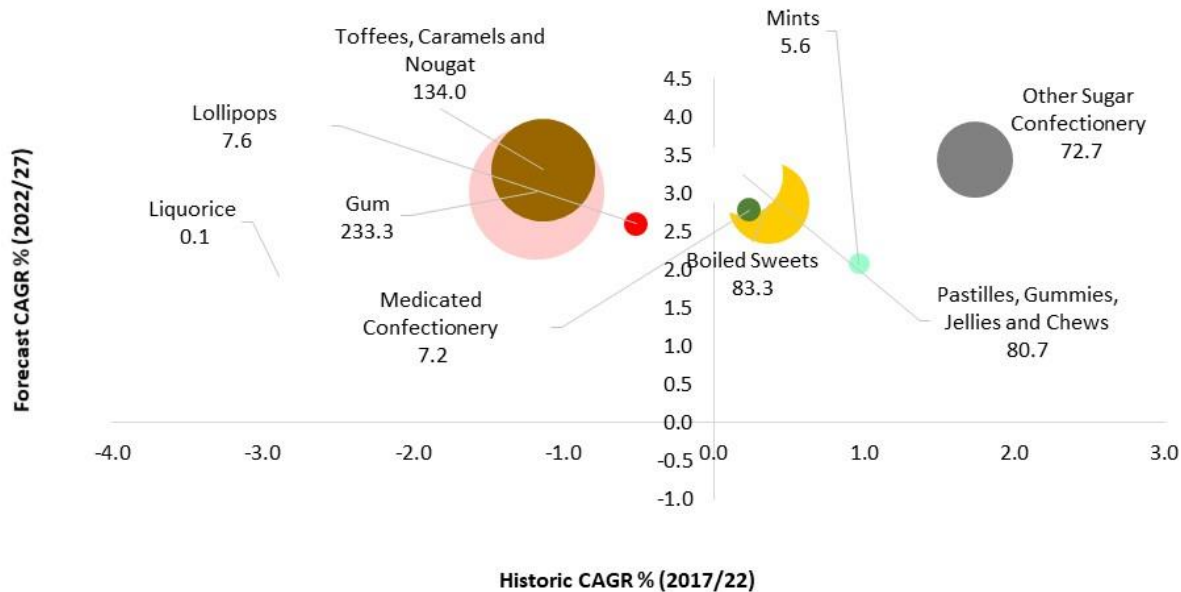
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> Saudi Arabia is a net importer of sugar confectionery products. All categories of sugar confectionery products are expected to see a positive growth rate between 2022 and 2027. 	<ul style="list-style-type: none"> Older consumers tend to prefer traditional sugar confectionery products such as halva and Turkish delight. Domestic production of western-styled sugar confectionery products is growing.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> Rising female participation in the workforce. Rising demand for premium (largely imported) sugar confectionery products which are often used as gifts, particularly around the holidays of Ramadan and Eid. Increased interest in products which plug in to the health and wellness trend, whether through content or package size. 	<ul style="list-style-type: none"> Rising health consciousness amongst the population is reinforced by the Saudi Arabian government. The main threats from outside of Saudi Arabia are imports from Jordan, Egypt and China. Renaissance of local grocers (<i>baqalahs</i>) as a distribution channel favours local companies with the distribution network.

5.8.2 Consumption

Evolution of consumption

In 2022 the total market size of the sugar confectionery market in Saudi Arabia was around EUR 624 million. As depicted in Figure 5-30 the biggest market is the one for gums which have a value of EUR 233m. The market has shrunk by 1.2% per year over the last five years but is forecast to return to growth (3% per year) during the period up to 2027. Toffees, caramels and nougat is the second largest market at EUR 134m, followed by oiled sweets at EUR 83.3m. Across all mentioned sugar confectionery categories, there is an expected positive growth rate in retail value expected between 2022 and 2027 indicating that consumption of all sugar confectionery products is growing in Saudi Arabia.

Figure 5-30: Evolution and forecast of the market for sugar confectionery in Saudi Arabia, 2017-2027 (EUR million)



Note: figures for 2023 to 2027 based on forecasts

Source: Euromonitor International: Packaged food, 2022

Consumers

Consumption of sugar confectionery products in Saudi Arabia is split between younger and urbanised consumers, kids, teenagers and females on the one hand, who are more likely to consume imported sugar confectionery products; and older consumers on the other hand, who are more likely to consume traditional sugar confectionery products derived from dates, Turkish delight and halva as well as medicated confectionery to an extent. Females have been driving the growth rate of sugar confectionery products in recent years in the country as a larger proportion of them are entering the workforce and have greater access to disposable income. Younger urbanised consumers are increasingly seeking out imported sugar confectionery products and are also the main consumers of gum which acts as a small stimulant during their workdays. The act of giving children sugar confectionery products as a reward for good behaviour or as a gift is also increasingly common in Saudi Arabia, following on from a wider westernisation trend taking place in the country. Finally, purchases for gift-giving increasingly common, with toffees, caramel candies, and nougats in particular being popular gifts.

Drivers and method of consumption

The key drivers of sugar confectionery growth in Saudi Arabia relate to (1) a young and growing population which also has a higher level of disposable income when compared to older generations; and (2) the rise of female participation in the workforce. While traditional sugar confectionery products remain popular in the country, there is a noticeable influx of western imported sugar confectionery products which are viewed as a premium product and often used as a gift. As noted above, toffees, caramel candies, and nougats make particularly popular gifts.

Sugar confectionery products are often consumed with coffee or tea which are both very popular beverages in the country, particularly as alcoholic beverages are banned. Halva and Turkish

delight are two of the more commonly consumed sugar confectionery products in the country alongside tea or coffee although western sugar confectionery products are growing in popularity.

Pastilles, gummies, jellies, and chews are extremely popular among children and the young Generation Z in Saudi Arabia. Children have a particular love of lollipops, with the product both widely available in supermarkets and neighbourhood grocery stores (*Baqalah*). Imported products can be found in both of these product categories.

Purchase criteria

Consumers will seek out that the sugar confectionery products are clearly halal-certified, particularly those containing gelatine. The Saudi Arabian government has been advocating for its population to adapt healthy eating habits which has helped to push consumers to become even more aware of the amount of sugar, fat and calories they are consuming which means consumers now spend more time analysing their sugar confectionery products to understand the content. It also means that adults may pay attention to sugar content when purchasing sugar confectionery for their children. Furthermore, it is leading to increasing demand for smaller pack sizes to ensure portion control; for example multi-packs of 15 grams.

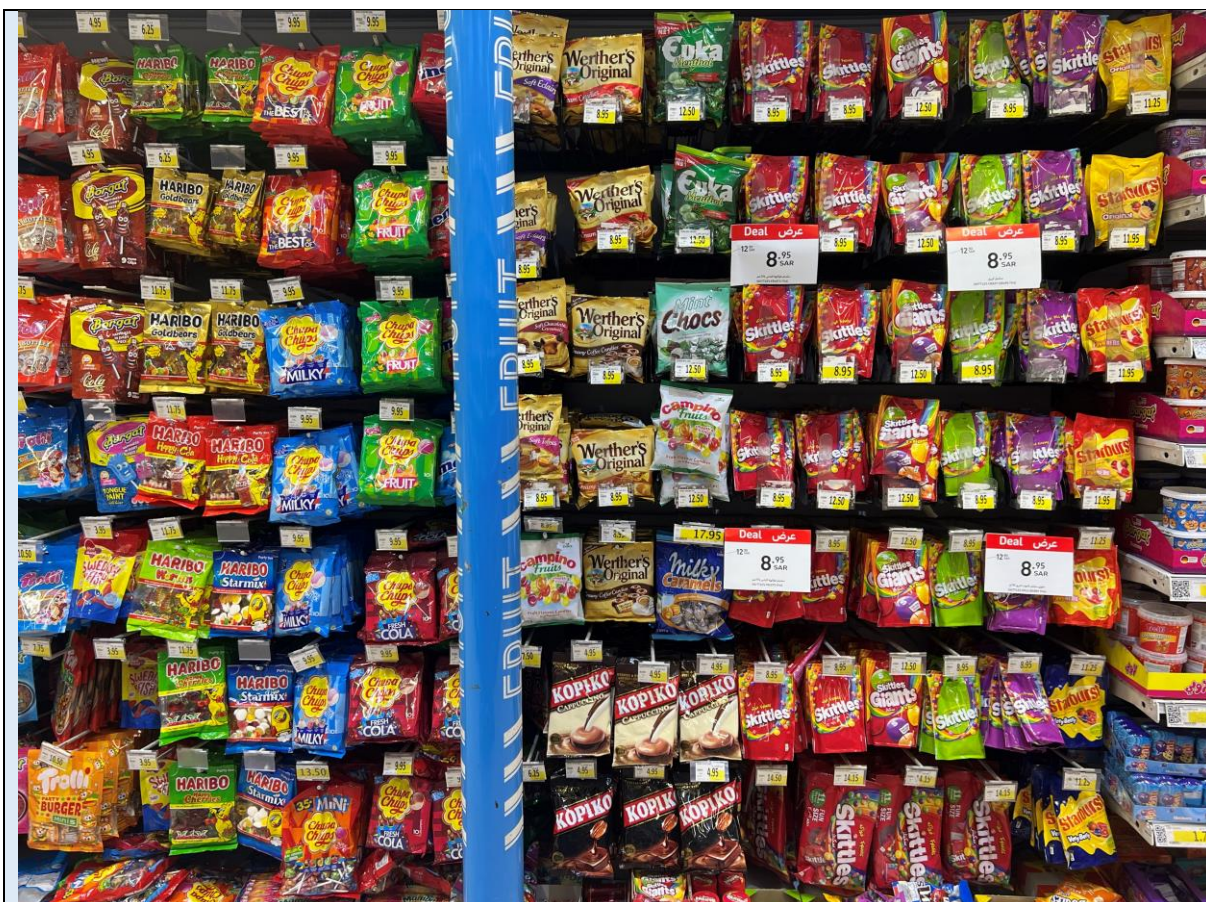
Flavour and variety inevitably plays a role in the purchase decision. While there is innovation in the area of flavours and there is consumer interest in this, long standing preferences for certain flavours exist. Among the category of pastilles, gums, jellies, and chews, berry-flavour (whether strawberry, raspberry or generic berry) are particularly popular. Generic fruit and cola are another popular flavours.

Brand can be an important factor. There are certain brands which are associated with quality in certain categories – for example, Werther's Original for toffees and Chupa Chups for lollipops. While brand loyalty does exist for well-established products, there is an openness to trying new flavours and varieties.

Finally, there are expectations that the packaging of sugar confectionery products imported from the EU will be of high quality as imported sugar confectionery products are increasingly being utilised as a gift which is particularly true near the important holidays of Ramadan and Eid.

Sugar confectionery on retailers' shelves in Saudi Arabia

Sugar confectionery retail prices, for imported products, generally start at around SAR 5 (EUR 1.25) per 100g equivalent, with products generally being priced under SAR 10 (EUR 2.50) per 100g. A handful of more premium products, generally aimed at special occasions, may retail above SAR 15 (EUR 3.75) per 100g.



Above and below: confectionery selection in a large supermarket.



With increasing concerns about sugar intake and obesity, there is a downward trend in general pack sizes. 25 to 40g packs are increasingly popular for sugar confectionery products. Flexible plastic is dominant for these smaller packaging formats.

For premium products intended for gifting or sharing, it is common to find pack sizes in the 200g to 400g range. While flexible packaging remains the most common, cartons, jars and metal cans can also be found.



Above: plastic tubs and cartons – examples of alternative packaging formats for sharing/gifting confectionery.

As with chocolate confectionery, packaging design is becoming increasingly important for product differentiation.

Below: examples of innovation in packaging design.



Images © Euromonitor International / Agra CEAS, 2023.

Recent market trends

The reopening of the economy post-COVID-19 is benefiting sugar confectionery sales as children return to schools and young workers return to the office (which particularly aids the sale of gums). Sales suffered during the pandemic as consumers grew increasingly health conscious and while sales have rebounded, consumers are increasingly seeking out low-sugar, fat and calorie sugar confectionery products which are likely to continue to be a trend for upcoming years.

Regarding flavour, coffee has emerged as one of the fastest-growing flavours in the Saudi Arabian market in recent years which should be observed by EU exporters of sugar confectionery products to the country. There has also been innovation in the packaging space of late. Most notably, some products targeting children have worked with toy brands in order to attract children through the presence of the brand on the packet. Some producers targeting higher end segments have chosen to use more premium-looking plastic boxes rather than plastic pouches.

There are some ongoing shifts in distribution channels. *Baqalahs* - small local grocers – are once again becoming a popular channel for sugar confectionery distribution. There are certain brands, such as Deemah, which are successfully focusing specifically on this channel. E-commerce, while still a very small part of distribution, has increased in importance in recent years and is likely to continue to do so.

5.8.3 Offer

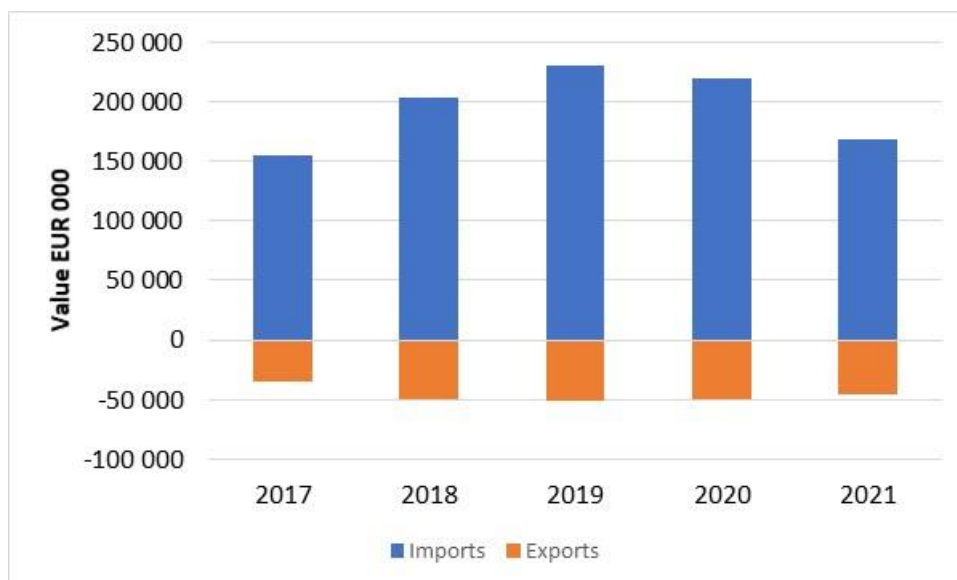
Domestic production

The domestic production of sugar confectionery products in Saudi Arabia is focused on a wider number of brands and producers who occupy small segments of the market. The largest producer in the country is the United food industry which has a 16.7% market share, followed by Halwani Bros Co which has a share of 9.8% and Storck GmbH (7.5). Some of the more popularly produced sugar confectionery products in the country include gums and a wide selection of various candies. Some of the bigger challenges facing the production of sugar confectionery products in the country include the high costs of production and the need to import many key ingredients from abroad.

Imports and exports

Figure 5-31 shows that Saudi Arabia is a net importer of sugar confectionery. In 2021 it imported a value of more than EUR 168m, whereas it exported close to EUR 45m. Imports peaked in the past five years in 2019 at EUR 231 million before declining to the aforementioned figure of EUR 168 million in 2021.

Figure 5-31: Trade balance (imports and exports) of sugar confectionery in Saudi Arabia, 2017-21 (EUR 000)

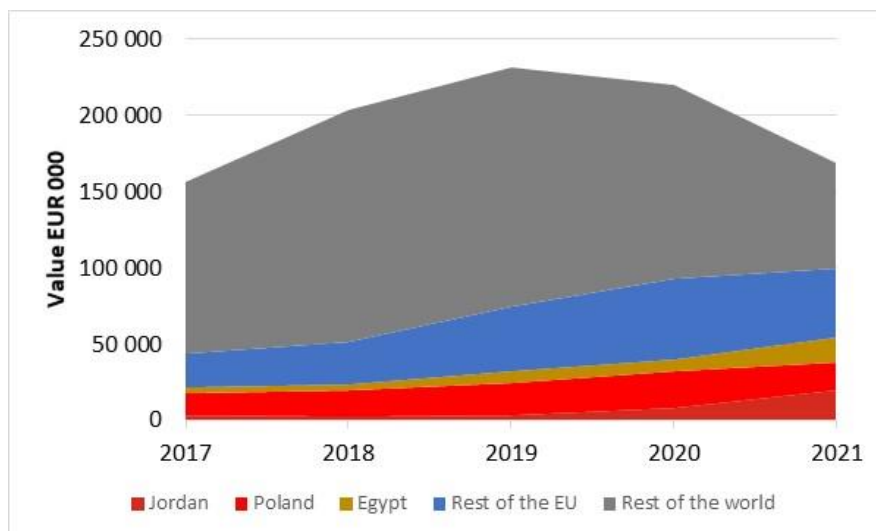


Data for CN code 1704

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Figure 5-32 shows that the largest exporter of sugar confectionery to Saudi Arabia in 2022 was Jordan which exported a value of about EUR 19m, followed by Poland with a value of around EUR 17m and Egypt with about EUR 16m. The EU overall account for around 35% of imports with Germany, Italy and the Czech Republic also being amongst the largest exporting countries to Saudi Arabia. Overall, as can be seen, the origins of imports are quite highly fragmented.

Figure 5-32: Saudi Arabian imports of sugar confectionery products origin country, 2016-20; total value (EUR 000)



Data for CN code 1704

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

EU GI products

As noted in section 4.2.4, there is currently no agreement in place between Saudi Arabia and the EU on GIs. However, there is the possibility for GIs to be registered as collective marks or control/certification marks in Saudi Arabia. Interested exporters should consult their GI body to check whether or not this has been done / is being considered.

Main competitors

Domestic production of non-traditional Saudi Arabian sugar confectionery products is growing even if several barriers exist such as the need to import the key ingredients needed for sugar confectionery production. Import origins are highly fragmented. The largest competition from outside of the EU comes from products originating from Jordan, Egypt and China, though none of these countries alone accounts for more than 10% of imports

5.8.4 Specific market entry requirements

Market Access and Entry

Requirements specifically for the import of sugar confectionery include, among others, a certificate of analysis and importer registration at the SFDA. A certificate of dioxin content may be required in certain circumstances. A full list is provided in Table 4-2. These are in addition to the general import requirements set out in Table 4-1.

In terms of tariffs, for sugar confectionery products (HS code 1704) tariffs are between 5%-15%. More details can be found at the links below.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link - sugar confectionery from Germany to Saudi Arabia:

<https://trade.ec.europa.eu/access-to-markets/en/results?product=170410&origin=DE&destination=SA>

Standards, labelling

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

There are a number of standards which may be relevant for sugar confectionery, depending upon the precise nature of the product. The key ones are (1) GSO 1320:2021 (soft candy) which can be purchased at the following link:

<https://www.gso.org.sa/store/standards/GSO:781120/GSO%201320:2021>

And (2) GSO 263:2009 (hard candy) which can be purchased at the link below (though it should be noted that a supplement for this GSO has also been released and must be purchased separately) :

<https://www.gso.org.sa/store/standards/GSO:502630/GSO%20263:2009>

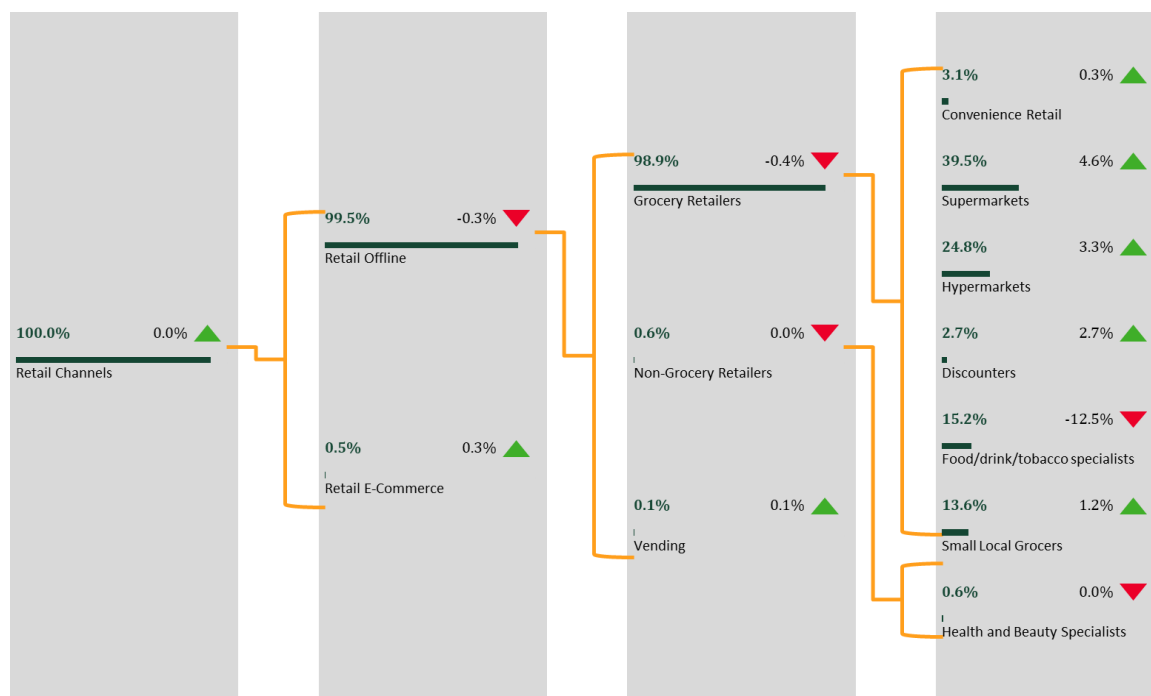
A list of all standards relevant for sugar and sugar products (including potentially sugar confectionery in certain cases) can be found at the following link: <https://www.gso.org.sa/store/standards?ics=67.180.10>

Section 4.2.3 contains detailed information on the labelling requirements for packaged foods in general, the key piece of legislation regarding the labelling requirements for packaged foods is GSO 9. Also, Saudi Arabia has implemented a nutritional score traffic light label requirement for packaged food products.

5.8.5 Distribution

Figure 5-33 shows the distribution channel overview of sugar confectionery in Saudi Arabia. Similarly, to chocolate confectionery, modern retailers and more specifically supermarkets are the largest distributors with a share of 39.5%. Hypermarkets are the second largest distributors with a share of 24.8% followed by food/drink and tobacco specialists with a share of 15.2%. The e-commerce market remains small but is growing with a share of 0.5% currently.

Figure 5-33: Distribution channels overview of sugar confectionery in Saudi Arabia (2022); % share



Source: Euromonitor International: Packaged Food, 2022

5.8.6 Challenges for EU products

The biggest challenges for EU producers include getting halal-certified in the case of

certain products; appealing to older consumers in Saudi Arabia; and the rise of health consciousness amongst consumers of all ages which is being encouraged by the government of the country. The EU does have a strong foothold in the total exports of sugar confectionery products to Saudi Arabia with Poland, Germany, the Czech Republic and Italy being amongst the top ten largest exporters of sugar confectionery products indicating that it is indeed a promising market for EU producers once the legislative hurdles are addressed. However, it should also be noted that the import market is quite highly fragmented at present – providing both a challenge and an opportunity. Finally, local grocers (*Baqalahs*) are increasing in popularity again, and some local producers are specifically targeting these distribution channels to establish a strong market position.

Market Takeaway: Sugar confectionery

Consumption: *Young consumers are the biggest consumers of imported sugar confectionery products as older consumers tend to prefer traditional products such as halva and Turkish delight. Women are increasingly an important consumer target as more of them enter the workforce increasing their levels of disposable incomes.*

Competition: *Growing competition from domestic producers who have expanded production in recent years. Outside of Saudi Arabia, Egypt, Jordan and China are the next biggest competitor for EU producers, though ultimately imports are highly fragmented.*

Distribution: *The main channels through which sugar confectionery products are sold in Saudi Arabia are supermarkets, hypermarkets and food/drink and tobacco specialist stores.*

Challenges: *The need to get halal-certified coupled with the rise in health consciousness amongst consumers in Saudi Arabia are two of the bigger challenges when entering the market. Appealing to older consumers who tend to prefer traditional products such as halva and Turkish delight is also a challenge.*

Opportunities: *The rise in female participation in the workforce coupled with a large youth population makes the market one of plenty of opportunities for EU exporters of sugar confectionery products.*

5.9 Processed Cereals

5.9.1 SWOT analysis

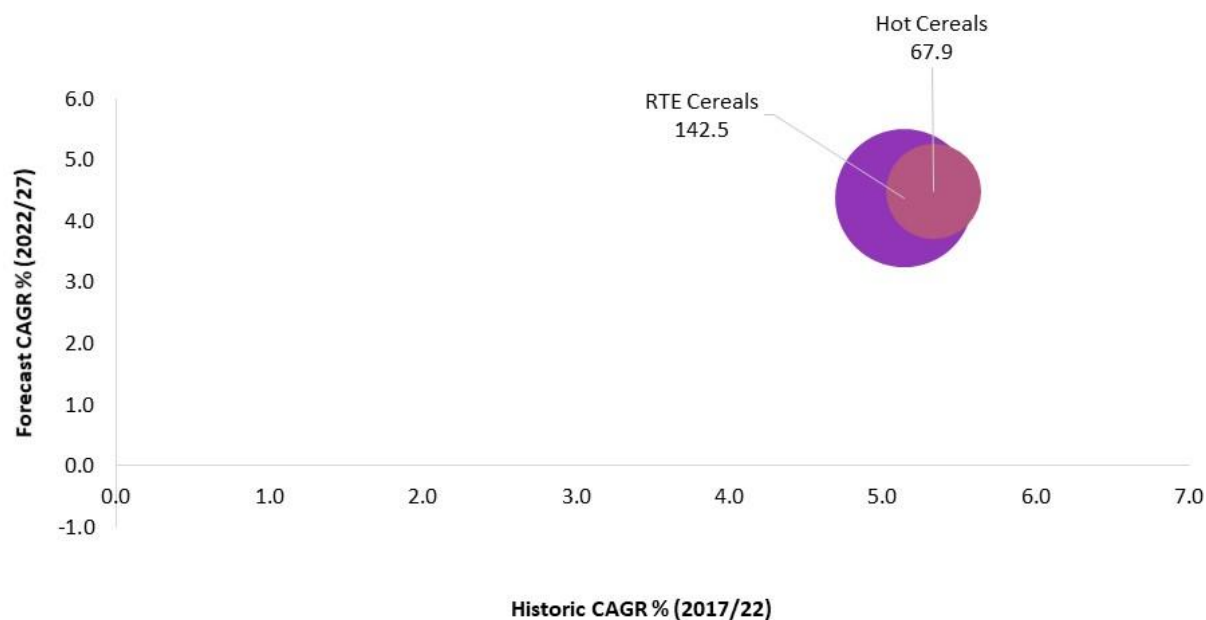
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> ▪ The EU is a significant exporter of breakfast cereals to Saudi Arabia. ▪ The overall market for breakfast cereals continues to grow in Saudi Arabia. 	<ul style="list-style-type: none"> ▪ Breakfast cereals have not been traditionally consumed in Saudi Arabia. ▪ Catering to older consumers is particularly difficult as they have likely developed long-lasting breakfast consumption habits which do not include breakfast cereals.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> ▪ Growing appreciation for breakfast cereal products in Saudi Arabia. ▪ Consumers increasingly seeking out high-end premium breakfast cereals which aid imported breakfast cereal products. 	<ul style="list-style-type: none"> ▪ Rising domestic production. ▪ The influx of imports from the UK and the US.

5.9.2 Consumption

Evolution of consumption

As shown below in Figure 5-34, RTE cereals (*ready-to-eat cereals*) currently are the most valued type of processed cereal product in Saudi Arabia with a retail value of EUR 142 million. RTE cereals grew by a CAGR of 5.5% between 2017 and 2022 and are further forecast to grow by a CAGR of 4.4% between 2022 and 2027. The hot cereals category has a retail value of EUR 67.9 million with the product expected to grow at a CAGR of 4.5% between 2023 and 2027.

Figure 5-34: Evolution and forecast of the processed cereals market in Saudi Arabia, total value 2017-2027 (EUR million)



Source: Euromonitor International: Packaged Food, 2022

Consumers

Consumption of breakfast cereals continues to grow in Saudi Arabia in part due to the wider westernisation trend in consumption habits in the country. Breakfast cereal consumption has not been traditional in Saudi Arabia with the major consumers of the past being expats and western educated Saudi Arabian consumers. However, today consumers of all ages and income classes may be consumers of breakfast cereals. That said, younger consumers and family households are key consumer groups to target for breakfast cereal producers in Saudi Arabia.

Drivers and method of consumption

Key drivers of breakfast cereal consumption in Saudi Arabia include the influence of the western diet on Saudi Arabian consumption habits coupled with the appreciated of processed cereals as a quick snack or breakfast product. This is particularly true for family households in the country. Breakfast cereals are often consumed in the morning although certain schools in Saudi Arabia have begun to introduce breakfast cereals as a lunch meal option. The growth in supermarket usage amongst consumers has also encouraged breakfast cereal sales as small local grocers tended to not stock a wide variety of breakfast cereals, although this is changing.

Purchase criteria

Price is a considerable pricing criterion, especially considering that domestic production has grown in recent years offering a cheaper alternative to what has traditionally been a market largely influenced by imported products. Saudi Arabian consumers, particularly middle age and younger consumers are likely to take into account the nutritional content of breakfast cereals with the rising trend of health consciousness pushing consumers to seek out breakfast cereals with low sugar, fat and calorie content.

Recent market trends

There is a growing demand for breakfast cereals with added health benefits, especially among more health-conscious consumers,. As a result, many companies are focusing on launching healthier products such as breakfast cereals with whole grains, superfruits, nuts and seeds. Players have also been focusing on promoting the health benefits of their products, such as being high in fibre or fortified with vitamins and minerals. Organic breakfast cereals are also likely to grow in popularity, but their appeal will largely be limited to more affluent higher income consumers the current economic situation in the kingdom is also likely to influence the distribution landscape with the discounter's channel expected to gain a stronger foothold in the market going forward. This should also boost sales of private-label breakfast cereals, with these stores typically carrying a good mix of private-label and branded breakfast cereal options. As a result, small local grocers are likely to lose further share as consumers increasingly prefer to shop in larger stores which generally offer more options, more promotions and better value. RTE cereals will most likely remain the most popular breakfast up until 2027.

5.9.3 Offer

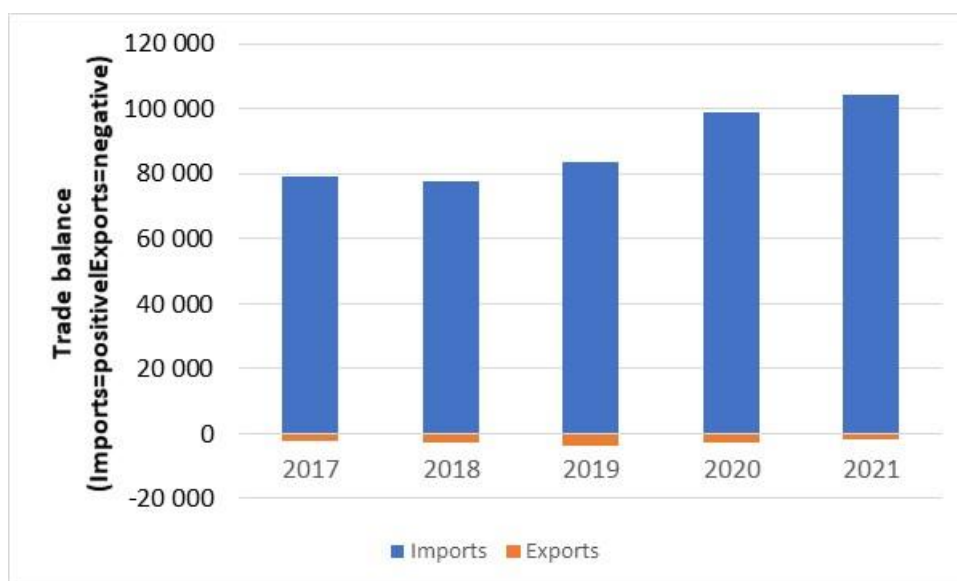
Domestic production

Breakfast cereal production in Saudi Arabia is a relatively new industry however it is growing in the country. The majority of breakfast cereals produced in the country are derived from wheat or corn-based cereals such as cornflakes and wheat flakes although there is an ongoing effort to increase the production of other breakfast cereal varieties such as muesli. Nestle and Kellogg's are two of the bigger foreign producers of breakfast cereals with a significant production capacity within Saudi Arabia.

Imports and exports

As shown below in Figure 5-35, Saudi Arabia is a net importer of processed cereals with the country importing a total of EUR 104 million worth of processed cereals in 2021, which represents an increase from EUR 78 million in 2017. Total exports reached a value of EUR 1.9 million in 2021.

Figure 5-35: Trade balance (imports and exports) of processed cereals in Saudi Arabia, 2017-21 (EUR 000)

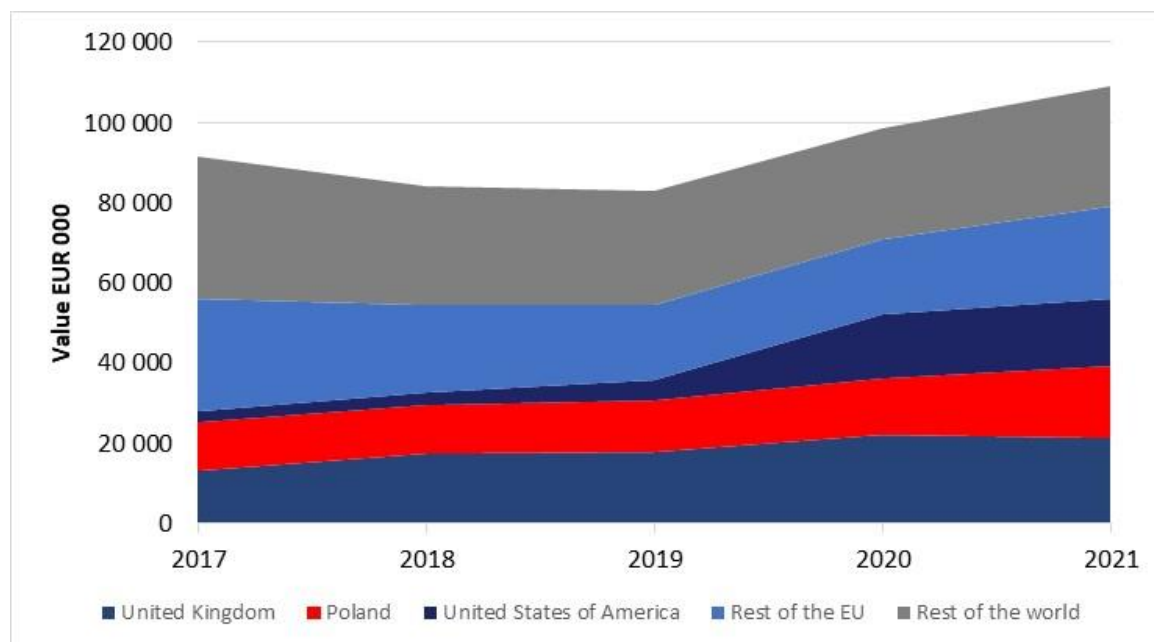


Data for CN code 1904

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

The largest exporter of processed cereals to Saudi Arabia is the UK, followed by Poland and the United States (Figure 5-36). These three countries consistently account for around 50% of imports. In total, the EU accounted for close to 40% of total processed cereal exports to Saudi Arabia in 2021.

Figure 5-36: Saudi Arabia imports of processed cereals by country, 2017-21; EUR 000



Data for CN code 1904

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Main competitors

Growing domestic production coupled with imports from the UK and the US represents the biggest threat to EU breakfast cereal products in the Saudi Arabian market.

5.9.4 Specific market entry requirements

Market Access and Entry

Requirements specifically for the import of processed cereals include, among others, a certificate of analysis, importer registration at the SFDA and radiation certificate. A full list is provided in Table 4-2. These are in addition to the general import requirements set out in Table 4-1.

In terms of tariffs, for processed cereal products tariffs are between 5%-20%. More details can be found at the links below.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link - processed cereals (1904) from Poland to Saudi Arabia:

<https://trade.ec.europa.eu/access-to-markets/en/search?product=1904&origin=PL&destination=SA>

Standards, labelling

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sFDA.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

The key standards relevant for breakfast cereals are:

- GSO 2513:2016 (Cereal flakes, other than cornflakes), purchasable at <https://www.gso.org.sa/store/standards/GSO:727959?lang=en>
- GSO 259:2015 (corn flakes), purchasable at <https://www.gso.org.sa/store/standards/GSO:674512/GSO%20259:2015?lang=en>

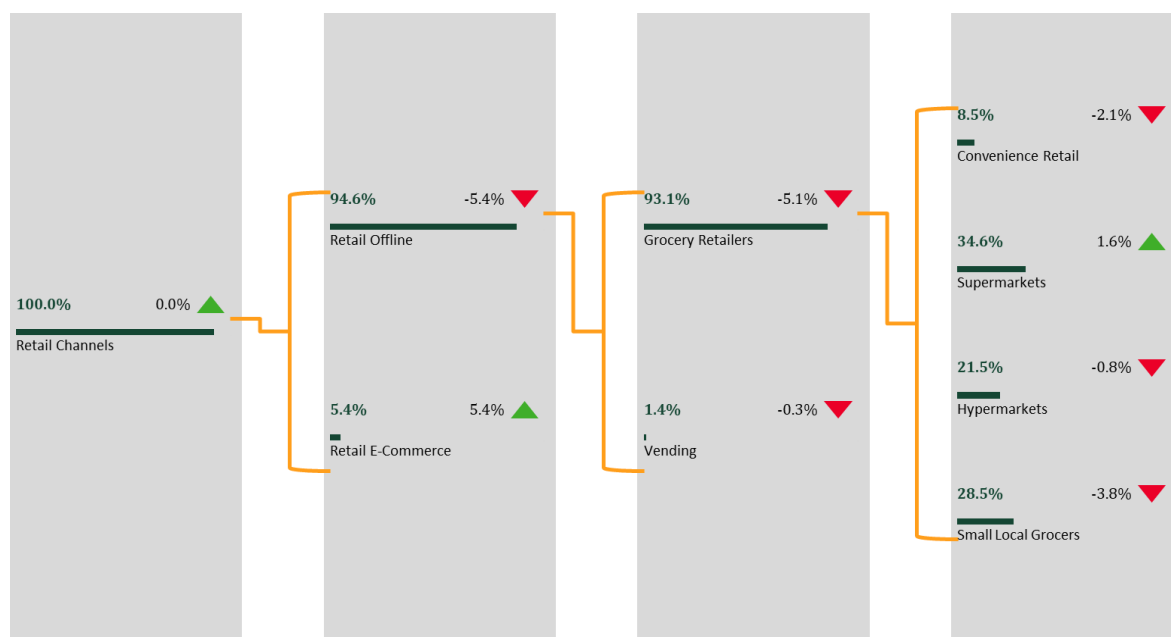
Depending on the precise nature of the cereal, other standards may be applicable. Against this background, it is worth consulting the full list of standards for cereals, pulses and derived products, available at <https://www.gso.org.sa/store/standards?ics=67.060>

Section 4.2.3 contains detailed information on the labelling requirements for packaged foods in general, the key piece of legislation regarding the labelling requirements for packaged foods is GSO 9. Also, Saudi Arabia has implemented a nutritional score traffic light label requirement for packaged food products.

5.9.5 Distribution

As shown in Figure 5-37 the majority of processed cereal sales in Saudi Arabian came from the grocery retail channel with a share of 93.1%. Supermarkets accounted for 34.6% of all sales followed by small local grocers with a share of 28.5%. Hypermarkets accounted for 21.5% of sales while e-commerce remains a small but growingly significant channel of distribution with a total share of 5.4%.

Figure 5-37: Distribution channel overview of processed cereals in Saudi Arabia (2022); % share



Source: Euromonitor International: Packaged Food, 2022

5.9.6 Challenges for EU products

Competing with processed cereals in Saudi Arabia includes the need to continue awareness-raising and promotion of the product as a common household food product as breakfast cereals have not been traditionally consumed in Saudi Arabia. There is rising demand for healthier cereal products which may cause some producers from the EU to pivot their production practices to cater to the Saudi Arabian consumer base. Finally, the growth of domestic production is providing cheaper alternative breakfast cereal products which will increasingly pose a challenge for EU imports in the country.

Market Takeaway: Processed cereals

Consumption: Consumption has increased in recent years aided by the rise in the westernisation of the Saudi Arabian diet coupled with the growing appreciation for convenient foods.

Competition: Growing domestic production coupled with the influx of imports from the UK and the US.

Distribution: Mainly distributed through grocery retailers which account for 93.1% of all sales. Supermarkets, small local grocers and hypermarkets are the biggest distributors of breakfast cereals.

Challenges: Growing domestic production coupled with rising demand higher demand for healthier variants of breakfast cereal products may cause some EU producers to pivot their production practises to cater to the Saudi Arabian market.

Opportunities: Demand for breakfast cereals is growing quickly, consumers are now far more aware and appreciative of breakfast cereal products compared to several years ago.

5.10 Pasta

5.10.1 SWOT analysis

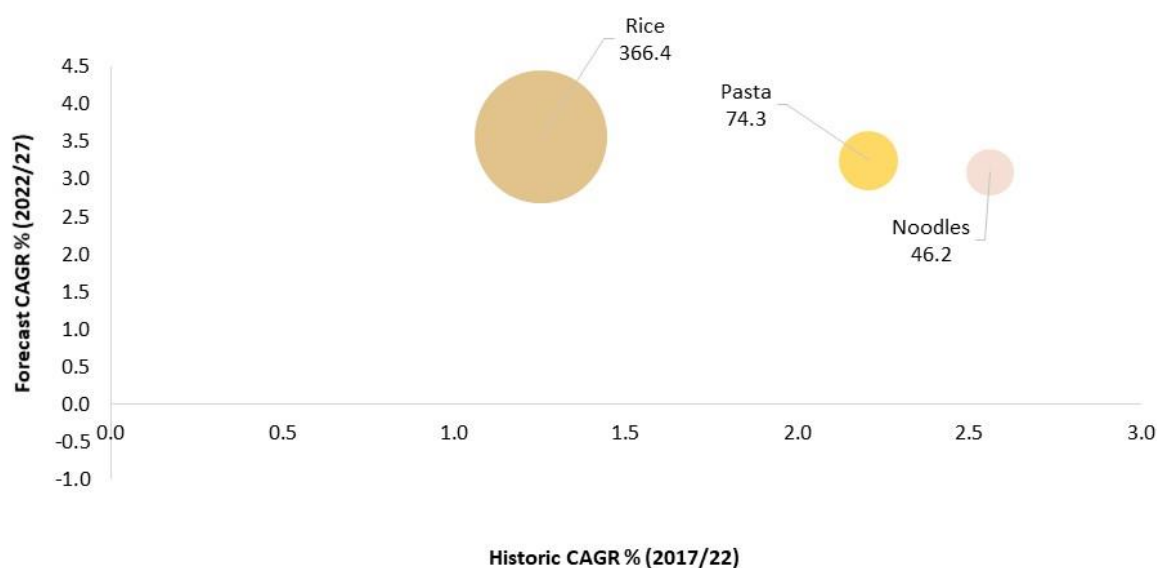
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> Italy is the largest exporter of pasta to Saudi Arabia. Consumption of pasta is forecasted to grow in the short term. 	<ul style="list-style-type: none"> The need to get halal-certified to enter the market for certain pasta products. Rice is still preferred as a staple food product in the country.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> Rise in Italian restaurants across Saudi Arabia, particularly in Jeddah and Riyadh. A rise in demand for premium imported products is a key opportunity for pasta producers from the EU. 	<ul style="list-style-type: none"> Production of pasta is growing in Saudi Arabia The UAE and Indonesia are the biggest competitors from outside of the EU and Saudi Arabia.

5.10.2 Consumption

Evolution of consumption

Figure 5-38 below shows that rice is by far the largest category of the pasta, rice and noodle products sector in Saudi Arabia, with a total volume of around 366 000 tonnes. Rice grew by a CAGR of 1.3% between 2017-2022 and is forecast to grow to a CAGR level of 3.6% between 2022 and 2027 meaning rice will remain the largest category by total volume in Saudi Arabia in upcoming years. Pasta is the second largest category, although far behind rice, with a total volume of 744 000 tonnes which will grow by a predicted CAGR of 3.2% between 2022 and 2027. Noodles are an extremely small category in the Saudi Arabian market with a total volume of 46 200 tonnes, which is nonetheless forecast to grow at a CAGR of 3.1% between 2022 and 2027.

Figure 5-38: Evolution and forecast for pasta compared to rice and noodles in Saudi Arabia, 2017-2027; retail volume EUR million



Source: Euromonitor International: Packaged Food, 2022.

Consumers

The consumption of pasta in Saudi Arabia has been growing in the country for several years as consumers continue to appreciate the versatility and durability of pasta products. Saudi consumers who have children are the key consumer group of pasta products in the country as parents continuously appreciate being able to incorporate pasta products into a wide variety of dishes. Younger consumers are also a key consumer base as many young workers appreciate being able to make a nutritious meal in a short space of time after their workdays. Finally, another smaller but important consumer group comes from the country's expat community which has retained pasta consumption habits from their home country while living in Saudi Arabia, this is particularly true for expats which have arrived from the west.

Drivers and method of consumption

A key driver of pasta consumption in Saudi Arabia has been its durability which is appreciated by Saudi Arabian consumers. The consumption of pasta in Saudi Arabia grew in 2020 following the outbreak of Covid-19, which resulted in a large growth in demand for products that can be stored for a prolonged period, such as pasta, as well as an increase in cooking at home. Italian restaurants are increasingly visible in several cities across Saudi Arabia notably within Jeddah and Riyadh which is acting as a new and expanding channel of distribution for pasta products within the country as well as a driver for raising interest in subsequent home consumption of the product. Pasta is commonly consumed as a main dish within households in Saudi Arabia with consumers being particularly fond of the spaghetti, fettucine and penne varieties of pasta. It is increasingly common to mix the pasta with a variety of sauces such as tomato and cheese sauces.

Purchase criteria

Consumers in Saudi Arabia appreciate pasta which has been packaged in such a way that allows for prolonged storage such as boxed pasta products or within small plastic packaging. Due to the overwhelming preference for rice as a staple food in Saudi Arabia and its affordable price, many consumers will expect a certain amount of quality behind the pasta products they choose to purchase which are generally more expensive than rice products. There is a growing demand for organic and gluten-free pasta in the country which is in line with a growth in demand for organic and gluten-free products across multiple categories in line with the rising health awareness trend in the country.

Recent market trends

The rising visibility of Italian-themed restaurants throughout Saudi Arabia coupled with increased knowledge and appreciation for pasta products in Saudi Arabia is helping to compound growth in the market. Covid-19 presented a scenario where foods which could be stocked for a prolonged period were valued amongst consumers which benefited pasta products, especially in a market largely previously accustomed to rice consumption. Increasingly, consumers are now experimenting with new pasta varieties and dishes and are seeking out organic and whole-wheat pasta products. Domestic production has grown in recent years on the back of increasing demand for pasta products which will present an ever-bigger competition for EU products going forward.

5.10.3 Offer

Domestic production

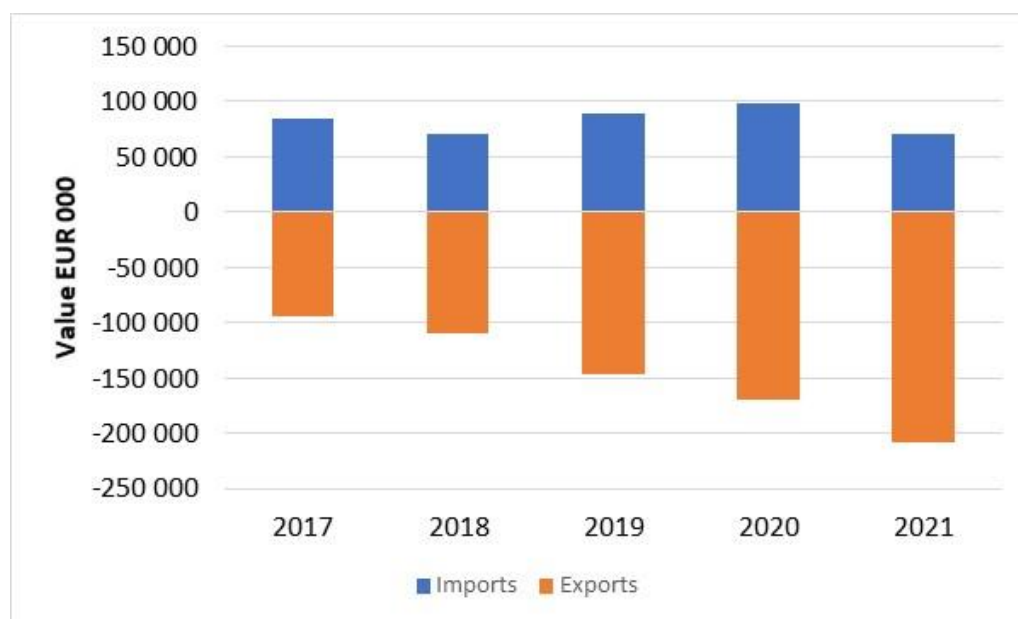
Domestic production of pasta in a small but growing sector, aided by the growth of domestic demand for pasta in the country. There is a growing demand for locally produced pasta

products as consumers appreciate locally produced products in Saudi Arabia, some of the more commonly produced pasta varieties in Saudi Arabia include spaghetti, penne and fettuccine which are also the most commonly consumed pasta varieties in the country. Saudi Arabia benefits from being able to utilise domestically produced wheat for its production base of pasta which limits additional costs associated with producing pasta.

Imports and exports

Figure 5-39 shows that Saudi Arabia is a net exporter of pasta, noodles and couscous exporting a total of EUR 169 million worth in 2021. This compares to a total import value of EUR 98 million. Total imports have grown in recent years from a value of EUR 84 million in 2017 to EUR 98 million in 2021.

Figure 5-39: Trade balance (imports and exports) of pasta, noodles and couscous in Saudi Arabia, 2017-21 (EUR 000)

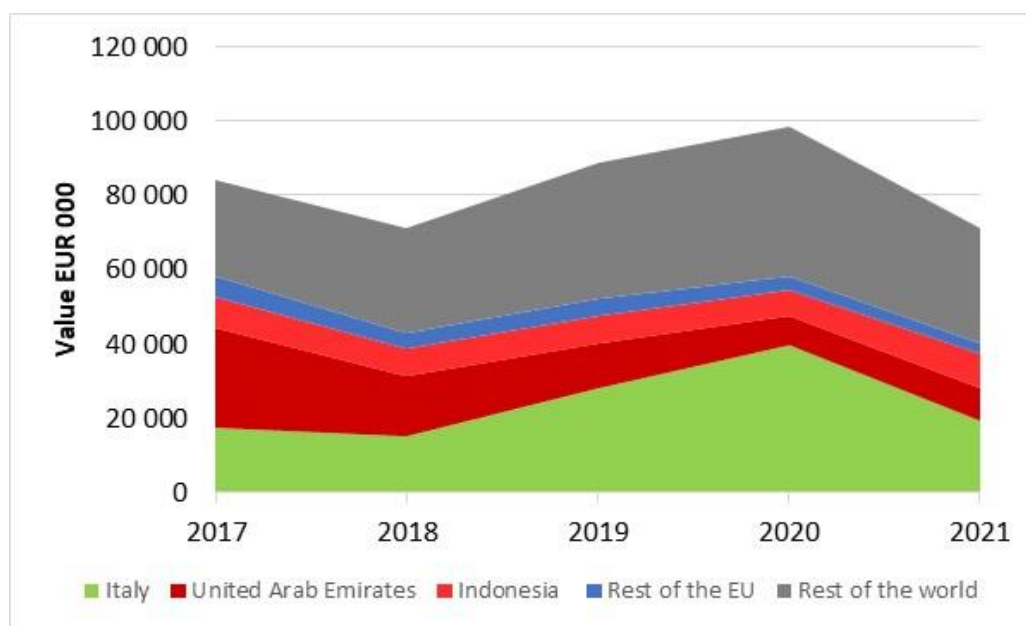


Data for CN code 1902.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Figure 5-40 demonstrates that Italy is the largest exporter of pasta, noodles and couscous to Saudi Arabia, exporting a total of EUR 39 million in 2021. This is followed by The UAE with a total export value of EUR 8.2 million and Kuwait with a total export value of EUR 7.9 million. France is the second-largest exporter of pasta from the EU with a total export value of EUR 1.2 million.

Figure 5-40: Saudi Arabian imports of pasta, noodles and couscous by origin country, 2017-21 (EUR 000)



Data for CN code 1902.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

EU GI products

As noted in section 4.2.4, there is currently no agreement in place between Saudi Arabia and the EU on GIs. However, there is the possibility for GIs to be registered as collective marks or control/certification marks in Saudi Arabia. Interested exporters should consult their GI body to check whether or not this has been done / is being considered.

Main competitors

The primary competition in this market come from a growing domestic production base of Saudi Arabian pasta. There is also some further competition from third countries such as the UAE, Indonesia and Kuwait. Saudi Arabia is expanding its domestic production base of pasta products and is increasingly producing western-styled pasta products such as spaghetti, penne and fettuccine.

5.10.4 Specific market entry requirements

Market Access and Entry

Requirements specifically for the import of pasta include, among others, a certificate of analysis, importer registration at the SFDA and in some cases, halal and dioxin certificates. A full list is provided in Table 4-2. These are in addition to the general import requirements set out in Table 4-1.

In terms of tariffs, for pasta products tariffs are between 5%-20%. More details can be found at the links below.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link - pasta (1902) from Italy to Saudi Arabia:

<https://trade.ec.europa.eu/access-to-markets/en/results?product=190230&origin=IT&destination=SA>

Standards, labelling

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

GSOs for some pasta products exist. For example, GSO 163:2012 covers macaroni, spaghetti and vermicelli. It can be purchased at the following link: <https://www.gso.org.sa/store/standards/GSO:579264/GSO%20163:2012>

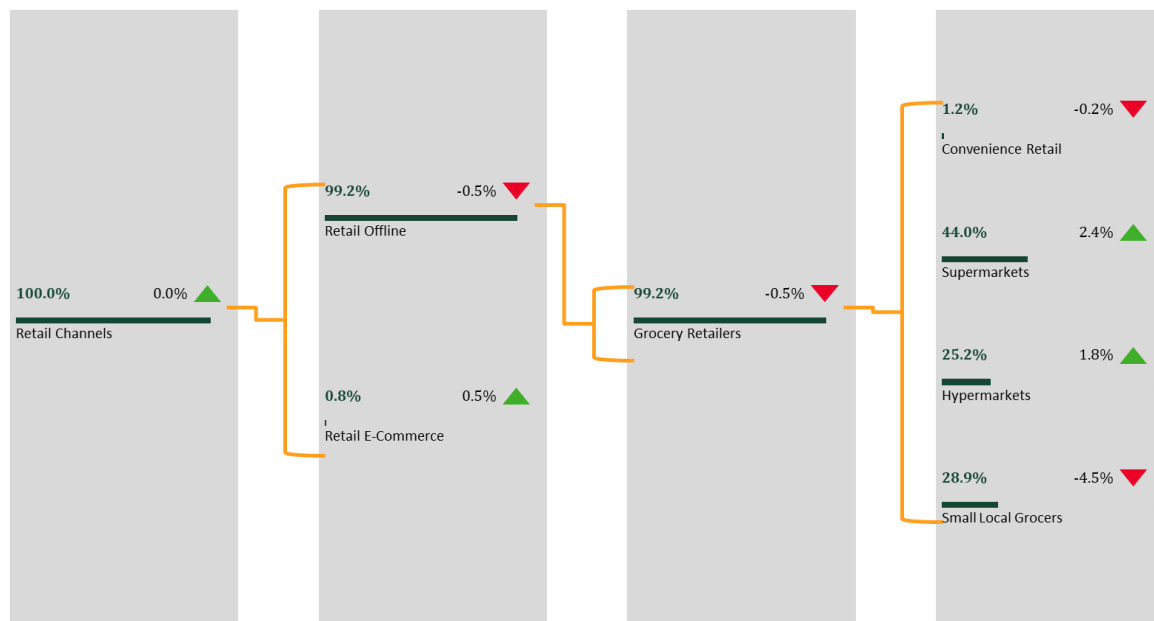
Against this background, it is worth consulting the full list of standards for cereals, pulses and derived products, available at <https://www.gso.org.sa/store/standards?ics=67.060>

Section 4.2.3 contains detailed information on the labelling requirements for packaged foods in general, the key piece of legislation regarding the labelling requirements for packaged foods is GSO 9. Also, Saudi Arabia has implemented a nutritional score traffic light label requirement for packaged food products.

5.10.5 Distribution

Figure 5-41 shows that modern grocery retailers are the biggest distributors of pasta in Saudi Arabia as supermarkets accounted for 44% of sales while small grocery retailers accounted for 28.9% of sales. Hypermarkets accounted for 25.2% of all sales with convenience retailers accounting for 1.2% of sales. The retail e-commerce market is growing however remains small at just 0.8% of sales.

Figure 5-41: Distribution channel overview of pasta in Saudi Arabia (2022); % share



Source: Euromonitor International: Packaged food, 2022.

5.10.6 Challenges for EU products

Notable challenges for EU pasta in Saudi Arabia include competing with domestic producers, the preference for rice dishes over pasta remains in Saudi Arabia and cultural differences make it difficult for Saudi consumers to incorporate pasta into traditional dishes. Despite these challenges, pasta is growing in consumption in Saudi Arabia due to the growing westernisation of the market and the rise in demand for premium products.

Market Takeaway: Pasta

Consumption: Consumption of pasta in Saudi Arabia is growing with the largest consumer groups being parents, younger workers and the expat community.

Competition: The greatest competition comes from the domestic producers of pasta which are growing their capacity to produce pasta products. Also, domestic producers are increasingly adapting to produce western-styled pasta such as spaghetti, penne and fettuccine. Outside of Saudi Arabia, the UAE and Indonesia are the biggest competitors.

Distribution: Modern grocery retailers are the main channel of distribution for pasta with 44% of sales coming from supermarket channels; small independent grocers account for 28.9% of sales while hypermarkets account for 25.2% of sales.

Challenges: The quality of domestically produced pasta is increasing, as is the production of western styled pasta varieties. The preference for rice in Saudi Arabia coupled with cultural differences relating to consumption is another challenge of note. There are also several logistical challenges involved such as the need to be halal certified.

Opportunities: The westernisation of Saudi Arabian consumption habits coupled with the rise in Italian restaurants and the rising demand for products which can be stockpiled are the biggest opportunities in the Saudi Arabian market for pasta products.

5.11 Fruit juice

5.11.1 SWOT analysis

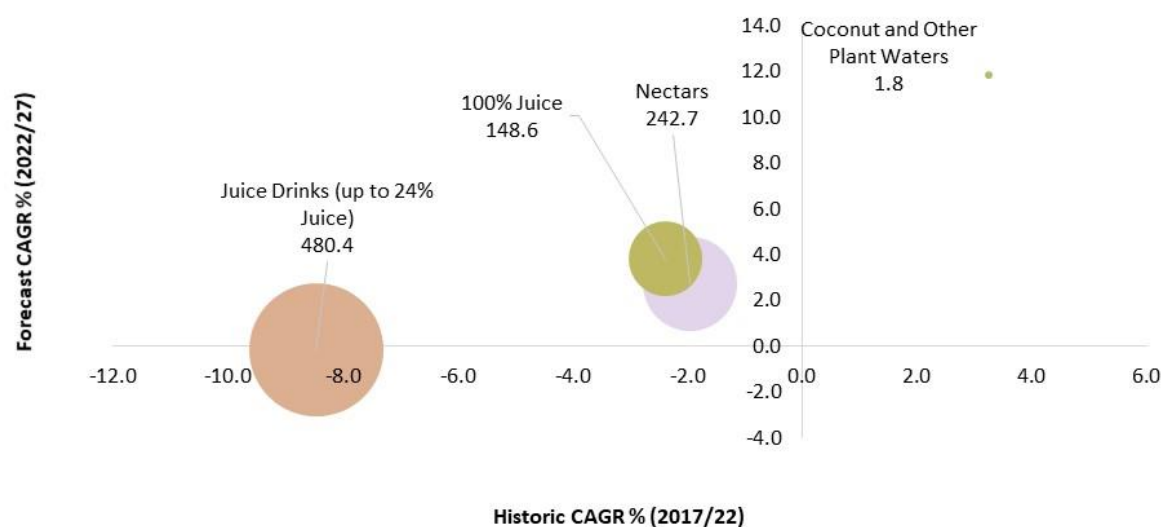
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none">▪ EU member states such as Spain and the Netherlands are amongst the larger exporters of fruit juice to Saudi Arabia.▪ Fruit juice consumption is forecast to continue growing in Saudi Arabia.	<ul style="list-style-type: none">▪ Shipping fruit juice can be a challenge considering the need for proper refrigeration throughout the journey.▪ Brand recognition can be difficult due to the influx of domestic products
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none">▪ Re-opening of the economy and tourism will present new key distribution opportunities.▪ Rising incomes are making EU fruit juices more affordable and competitive.▪ Some of the most popular flavours of fruit juice in the country are based on fruits which are not widely grown in Saudi Arabia, creating potential opportunities.	<ul style="list-style-type: none">▪ Saudi Arabia is a large producer of fruit juice in the region and ultimately is a net exporter of the product.▪ India is the biggest exporter of fruit juice to Saudi Arabia; and overall, import origins are quite fragmented

5.11.2 Consumption

Evolution of consumption

The fruit juice market in Saudi Arabia is mainly split between juice drinks with up to 24% juice content and nectars. Juice drinks with up to 24% juice content have a market value of EUR 480 million (Figure 5-42), while nectars have a total value of EUR 242 million in Saudi Arabia. 100% juice products hold a much smaller market share at EUR 149m. All three of these categories have been falling in recent years, with juice drinks suffering the most (CAGR of over -8% between 2017 and 2022; and a flat CAGR going forwards). Coconut juices will be the fastest-growing fruit category between 2022 and 2027 with a forecast CAGR of 11.8%. Despite this, coconut juices will remain the smallest fruit juice category by 2027.

Figure 5-42: Evolution and forecast of the fruit juice market in Saudi Arabia, 2017-2027 (EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumers

Consumers of juices come from all age groups as well as from all groups of society. More specifically, the market is driven by more health-conscious consumers which tend to fall larger into the middle age to younger age bracket. These consumers tend to live in larger urban areas of the country with access to a wide variety of fruit juice products. Orange, apple and mixed fruit juices are amongst the more popular fruit juices in Saudi Arabia. The rise in social media usage further resonates with urbanised consumers who often post about their smoothie varieties with often incorporate fruit juices.

Drivers and method of consumption

Key drivers of fruit juice consumption in Saudi Arabia include the rising demand for fruit juices from teenagers are children with many parents utilising fruit juices as a savoury and healthy beverage to choose for their children. Coconut juice is viewed as a very healthy product amongst consumers and appeals to consumers who often visit the gym or are generally health conscious, with many gyms offering the sale of coconut juices via kiosks. Fruit juice is often consumers also alongside a meal as an alternative to tea or coffee.

Purchase criteria

One of the main purchase criteria is flavour with there being several preferred fruit juices in the market spread out by consumers. For example, younger consumers tend to prefer apple or orange juices more particularly while middle-aged and older consumers have shown a tendency for mixed fruits or date juices. Acai and pomegranate juices are on the rise as many consumers associate these juices also as healthy beverage products.

Recent market trends

During COVID-19, The fruit juice market was affected by the COVID-19 pandemic which ultimately led to a decline in sales due to travel restrictions and the closure of the foodservice sector, however during this period there was a notable rise in demand for packaged fruit juice products as consumers shifted their preferences towards products for

home consumption. This trend has remained post COVID-19 which ultimately has helped to continue to grow the market as the foodservice sector and tourism has reopened. Coconut juice has been the fastest-growing fruit juice in recent years and will continue to be the fastest-growing fruit juice in the country up until 2027, this is driven by the rise in health consciousness in the country with coconut being highly associated with being a healthy beverage product.

5.11.3 Offer

Domestic production

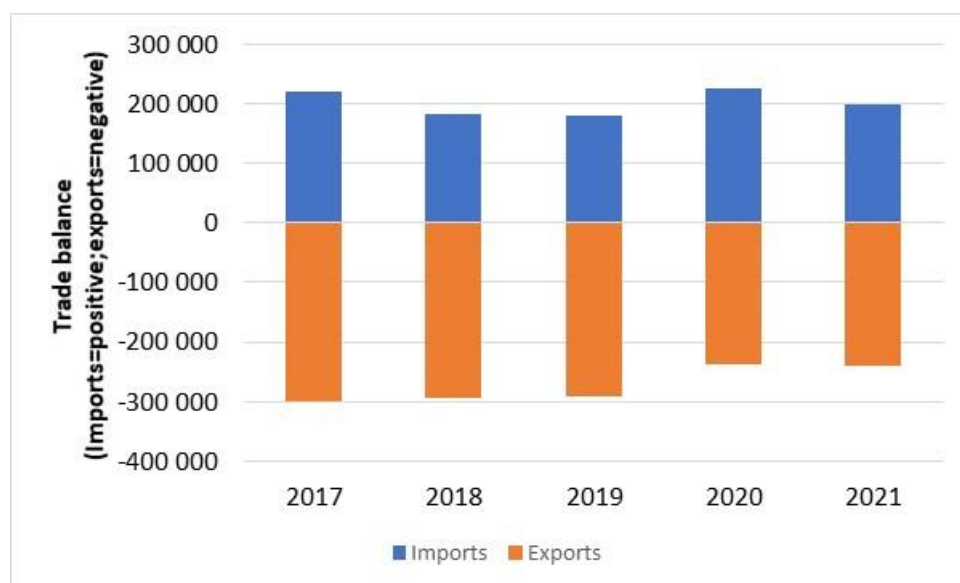
Fruit juice production in Saudi Arabia is high with the country being one of the leading producers of fruit juice in the region. Despite limitations towards the production of many varieties of fresh fruit products across the country due to the hot climate and desert topography of the country, there remains nonetheless a large fruit juice processing sector. Oranges, grapes and mango fruit juices are amongst the most popular fruit juices produced in the country. A large amount of fruit juice production is concentrated in the west of the country which is also the region of the country best suited for fresh fruit production. Saudi Arabia does import a high amount of fresh fruits from abroad with some of these products being imported for the use of processing into juices.

Imports and exports

Figure 5-43 shows that Saudi Arabia is a net exporter of fruit juice, exporting EUR 239 million worth of fruit juice in 2021. Total imports came to a value of EUR 198 million in 2021.

Figure 5-44 shows that India is the largest exporter of fruit juice in Saudi Arabia with a total value of EUR 31 million, followed by Spain with a total value of EUR 29 million and finally the Netherlands with a total value of EUR 18 million. Other large EU exporters of fruit juice include Germany, Austria and Denmark.

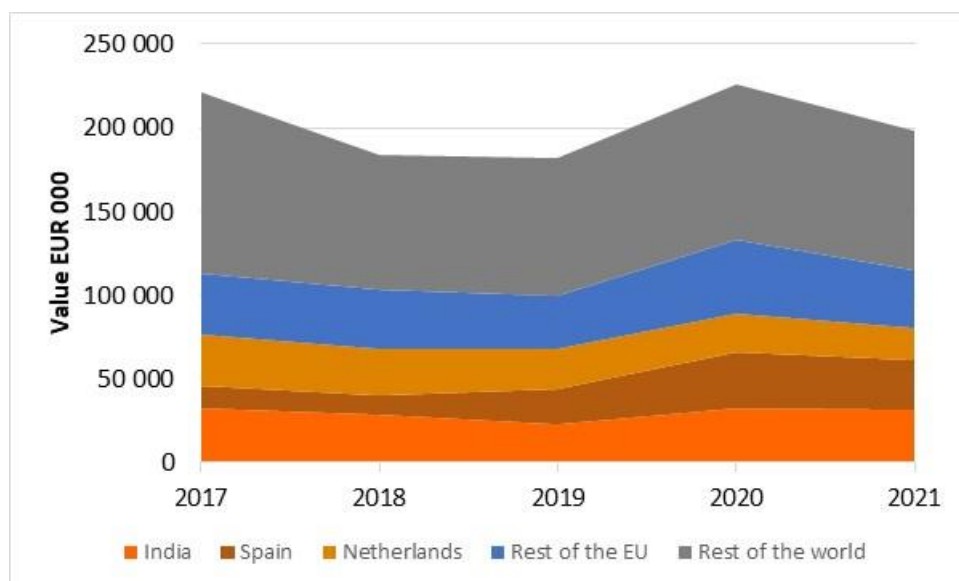
Figure 5-43: Trade balance (imports and exports) of fruit juices in Saudi Arabia, 2017-21 (EUR 000)



Data for CN code 2009

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Figure 5-44: Saudi Arabia imports of fruit juices by origin country, 2017-21 (EUR 000)



Data for CN code 2009

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Main competitors

Firstly, Saudi Arabia is a net exporter of fruit juices and thus is a big competitor itself. The country is a large producer of fruit juice domestically and this sector is continuing to grow. Secondly, while import origins are quite fragmented, the three biggest exporting countries of fruit juices to Saudi Arabia outside of the EU are India, Kuwait and China.

5.11.4 Specific market entry requirements

Market Access and Entry

Requirements specifically for the import of fruit juice include, among others, a certificate of analysis and importer registration at the SFDA. A full list is provided in Table 4-2. These are in addition to the general import requirements set out in Table 4-1.

In terms of tariffs, for fruit juice products tariffs are between 5%-10%. More details can be found at the links below.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link - fruit juice (2009) from Spain to Saudi Arabia

<https://trade.ec.europa.eu/access-to-markets/en/results?product=190230&origin=IT&destination=SA>

Standards, labelling

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

GSO 1820:2021 is the main standard for fruit juice, juice drinks and nectars. It can be purchased at the following link:

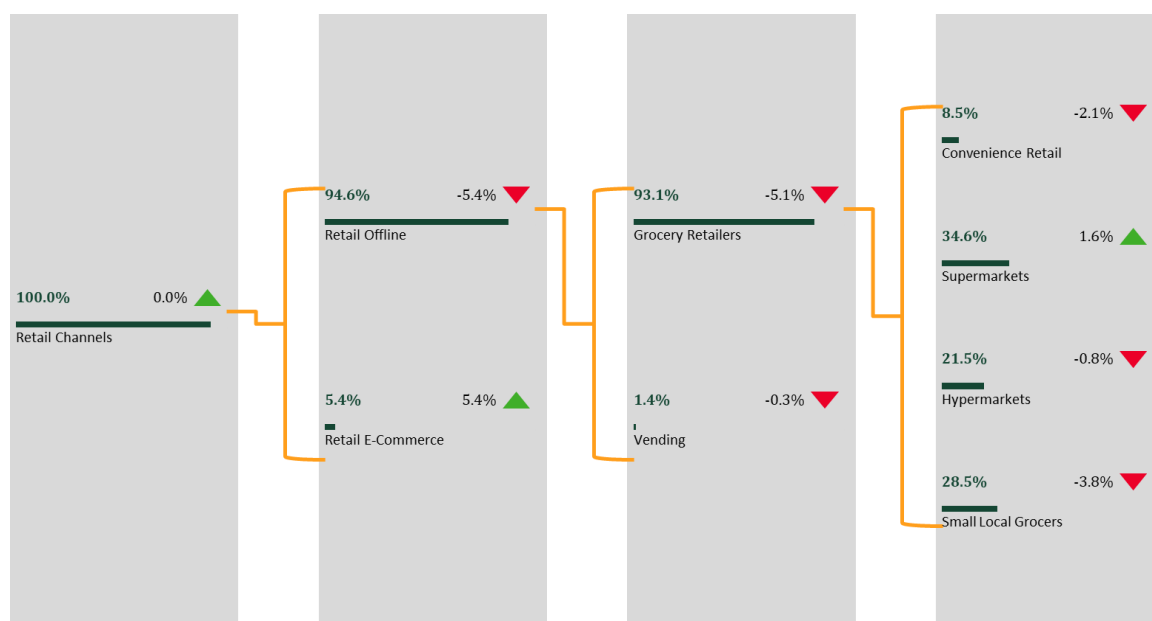
<https://www.gso.org.sa/store/standards/GSO:781045/GSO%201820:2021?lang=en>

Section 4.2.3 contains detailed information on the labelling requirements for packaged foods in general, the key piece of legislation regarding the labelling requirements for packaged foods is GSO 9. Also, Saudi Arabia has implemented a nutritional score traffic light label requirement for packaged food products.

5.11.5 Distribution

Fruit juices are sold on-trade as well as off-trade. Figure 5-45 below shows that off-trade fruit juice is nearly exclusively sold through store-based retailing (94.6%). Supermarkets account for 34.6% of this share followed by small local grocers which accounted for 28.5% of sales, hypermarkets made up 21.5% of sales while convenience retailers accounted for 8.5%. E-commerce continues to grow in popularity in Saudi Arabia and now accounts for 5.4% of all fruit juice sales in Saudi Arabia, this also makes fruit juice one of the largest products which are sold via e-commerce by the percentage of distribution.

Figure 5-45: Distribution channel overview of fruit juices in Saudi Arabia (2022); off trade, % share



Source: Euromonitor International: Packaged Food, 2022.

5.11.6 Challenges for EU products

The market is heavily influenced by the wide presence of domestic fruit juice products and the government has invested heavily in making large-scale fruit juice processing centres across the country. Consumers of imported fruit juices are more likely to pay greater attention to the packaging and nutritional content due to the higher prices associated with imported fruit juice products which act as an additional challenge, though also an opportunity.

Market Takeaway: Fruit juice

Consumption: The consumption of fruit juice is high with consumers coming from all income and age classes. However for imported fruit juice it is younger consumers, health-conscious consumers and family households who are the biggest consumers.

Competition: Domestic production is the biggest competitor for EU fruit juices in the country. Outside of Saudi Arabia, imports from India, Kuwait and China are the biggest competitors.

Distribution: Grocery retailers accounted for 93.1% of all sales with supermarkets and small local grocers being the larger distributors of fruit juice. Hypermarket stores accounted for 21.5% of sales while e-commerce has grown to account for 5.4% of sales.

Challenges: Competing with domestic producers coupled with heightened expectations surrounding imported fruit juice regarding taste and packaging. The rise in health consciousness results in the need to focus on low-sugar, salt and calorie fruit juice beverages in the Saudi Arabian market.

Opportunities: Healthy fruit juices are the key products of growth in the Saudi Arabian fruit juice market with there being a notable rise in demand post-COVID-19 as consumers now take better care of their health. Some of the most popular flavours of fruit juice in the country are based on fruits which are not produced on a large scale in Saudi Arabia, creating potential opportunities.

5.12 Baked goods

5.12.1 SWOT analysis

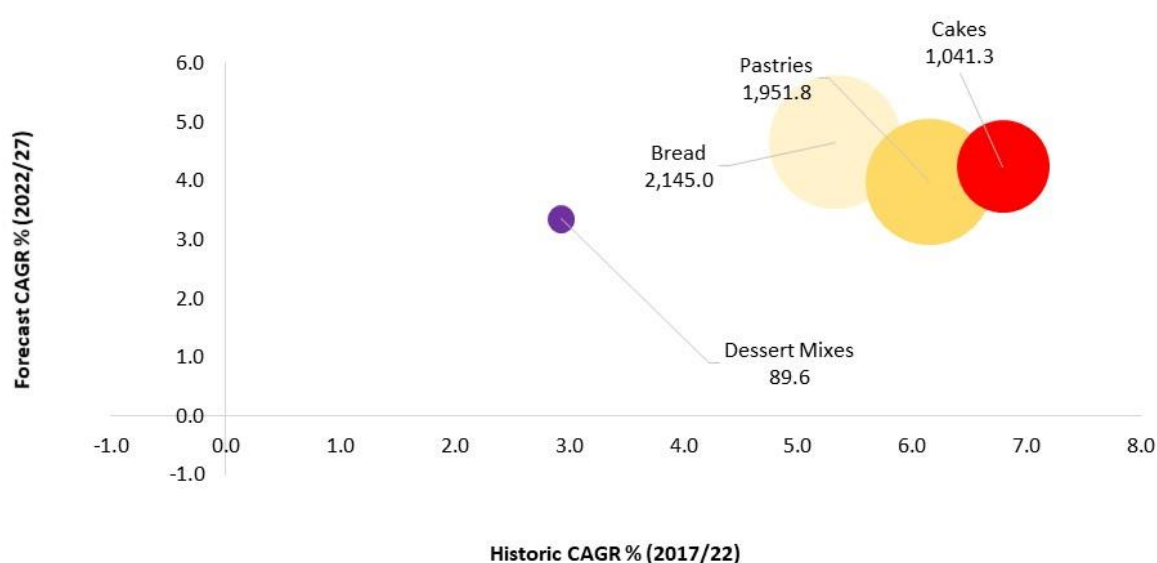
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> Demand is growing for premium baked goods products of a western style such as croissants, cakes and cookies. Saudi Arabia is a net importer of baked goods products. 	<ul style="list-style-type: none"> Presence of many small yet competitive producers in Saudi Arabia. Older consumers tend to prefer traditional baked goods products such as <i>baklava</i> and <i>kanafeh</i>.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> With the increase in social media usage, with many users posting about baked goods products they have purchased before consuming, premium (often imported) baked goods products are often preferred for this practice. The return of tourism and immigration from EU member states to Saudi Arabia post-COVID-19. 	<ul style="list-style-type: none"> The rise in health consciousness is impacting the sale of conventional baked goods products. Imports from the UAE, the US, and Oman.

5.12.2 Consumption

Evolution of consumption

Figure 5-46 shows that bread is the largest baked goods product in Saudi Arabia by retail value with a total retail value of EUR 2.1 billion. Bread is forecast to grow at a CAGR of 4.7% between 2022 and 2027, which will see bread will remain the largest category of baked goods in Saudi Arabia by the year 2027. Pastries came to a value of EUR 1.9 billion in Saudi Arabia in 2022 and are forecast to grow at a CAGR of 4% between 2022 and 2027. Cakes had a value of EUR 1 billion, followed by dessert mixes which came to a value of EUR 89.6 million.

Figure 5-46: Evolution and forecast of the baked goods market in Saudi Arabia, 2017-2027 (retail value, EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumers

Baked goods are popular in Saudi Arabia with some of the most popular baked goods products in the country being *baklava* (layered pastry dish often topped with syrup or honey) and *kanafeh* (traditional Middle Eastern desert pastry dish) which are traditional baked goods products consumed in the country. Western-styled baked goods are growing in popularity, particularly among younger consumers with croissants, cakes and cookies in particularly being increasingly consumed in the country. Younger urbanised consumers often post on social media about their baked goods choices which encourages the purchase of western baked goods products as these are viewed as premium and eccentric products.

Drivers and method of consumption

Key drivers of baked goods sales in Saudi Arabia include the increasing demand for convenience foods in the country, the growing population, rising disposable incomes and the rise of female participation in the workforce. Furthermore, the rise of social media usage is helping to compound the growth of baked goods sales as an ever-larger proportion of the population post on social media about their baked goods choices and purchases. Baked goods are often consumed as a quick and nutritious snack in Saudi Arabia throughout the day as is common in the EU.

Purchase criteria

The price of baked goods is expected to be reasonable and affordable to lower-income consumers, particularly bread and pastries which are readily prepared and available throughout the country. Imported baked goods and baked goods produced in a western style generally cost more than traditional baked goods products such as *baklava*; and this price difference will be expected by consumers. Increasingly, consumers are paying greater attention to the nutritional content of baked goods products as the population has become more health conscious in recent years. This in turn has led to an ever-larger proportion of the population seeking out low-fat, sugar and calorie baked goods products.

Recent market trends

Saudi Arabia has now completely lifted its COVID-19 restrictions, including the re-opening of schools, the re-opening of the food service sector and the resumption of Hajj and Umrah pilgrimages. The latter has had a huge impact on the consumption of baked goods in Saudi Arabia in 2022 with the country attracting millions of religious tourists/pilgrims annually. Additionally, the number of foreign workers has grown as the country continues to invest heavily in diversifying its economy. The population became more health conscious during the COVID-19 pandemic which has resulted in increased demand for low-fat, sugar and calorie baked goods products in the country. Social media is also becoming an increasingly important marketing tool for producers of baked goods products, with the digital channel being seen as particularly important when targeting younger consumers. Social media platforms and influencers are increasingly being used to promote baked goods, particularly cakes. The rising role of females in the workforce is also positively impacting the total sales of baked goods in Saudi Arabia.

5.12.3 Offer

Domestic production

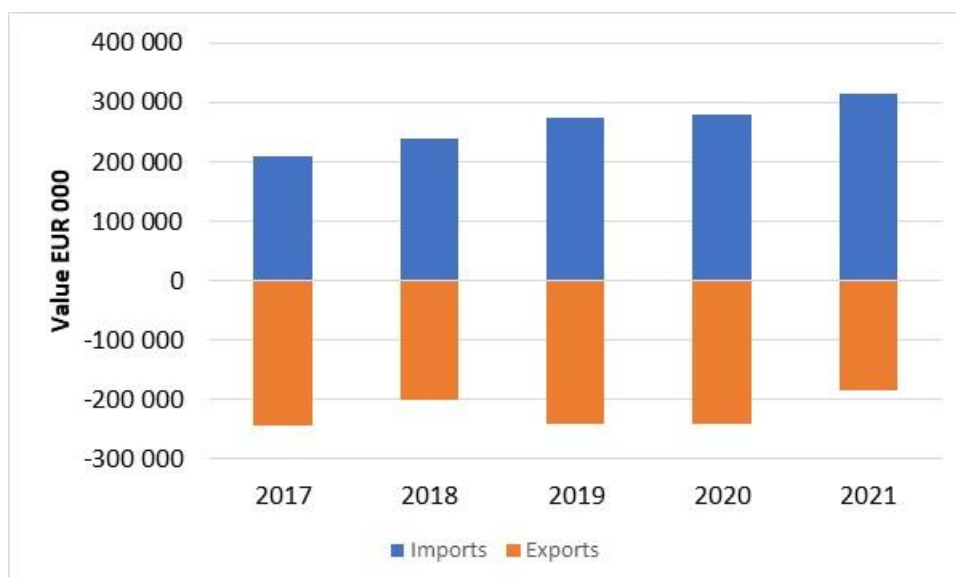
The baking industry in Saudi Arabia is quite large with several bakeries being spread out across multiple urban centres in the country. Most smaller bakeries tend to focus on the production of traditional baked goods produced such as *baklava* and *kanafeh*; however a growing number of them are shifting production towards baking western-styled baked goods

products such as cakes and croissants. The Saudi Arabian government has also been investing in the training of bakers in the country which further encourages domestic production. The largest baked goods company in operation in Saudi Arabia is Almarai Co which has a share of 5.9% of the market, the rest of the market is made up of a large amount of smaller producers which all occupy less than 1% of the market share, indicating that the market is highly fragmented and competitive – as would be expected with the presence of many small, artisanal, local producers.

Imports and exports

As shown in Figure 5-47, Saudi Arabia is a net importer of baked goods, importing a total of EUR 312 million worth of baked goods in 2021. The majority of these imports are bread, pastries and cakes. Total exports came to a value of EUR 184 million in 2021, with bread, pastries and cakes also accounting for the majority of imports. Total imports in 2021 were the highest within the previous five-year period.

Figure 5-47: Trade balance (imports and exports) of baked goods in Saudi Arabia, 2017-21 (EUR 000)

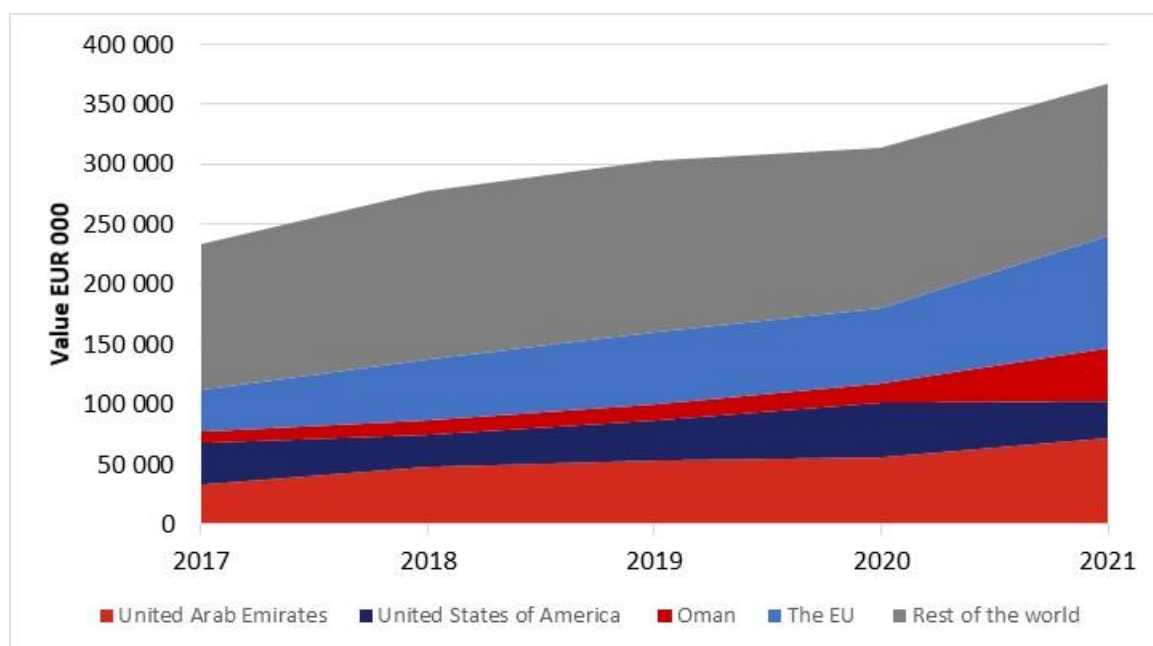


Data for CN codes 190510, 190520, 190540, and 190590

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

The largest exporters of baked goods to Saudi Arabia are the UAE, the US and Oman with the UAE exporting a total of EUR 72 million in 2021. (Figure 5-48). The largest EU exporters of baked goods to Saudi Arabia are France, Belgium, Poland, and the Netherlands.

Figure 5-48: Saudi Arabian imports of baked goods by origin country, 2017-27 (EUR 000)



Data for CN codes 190510, 190520, 190540, and 190590

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

EU GI products

As noted in section 4.2.4, there is currently no agreement in place between Saudi Arabia and the EU on GIs. However, there is the possibility for GIs to be registered as collective marks or control/certification marks in Saudi Arabia. Interested exporters should consult their GI body to check whether or not this has been done / is being considered.

Main competitors

The biggest competitors for EU baked goods in Saudi Arabia come from fragmented domestic producers with production in Saudi Arabia being concentrated amongst a large number of small producers making the market extremely competitive. Outside of Saudi Arabia, the biggest exporters of baked goods to Saudi Arabia are the UAE, the US and Oman; though ultimately import origins are also fragmented.

5.12.4 Specific market entry requirements

Market Access and Entry

Requirements specifically for the import of baked goods include, among others, a certificate of analysis and importer registration at the SFDA. A full list is provided in Table 4-2. These are in addition to the general import requirements set out in Table 4-1.

In terms of tariffs, for baked good products tariffs are between 5%-12%. More details can be found at the links below.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link - 190510 from Denmark to Saudi Arabia

<https://trade.ec.europa.eu/access-to-markets/en/results?product=190510&origin=DK&destination=SA>

Standards, labelling

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sFDA.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

There are GSOs for some baked good products. For example:

GSO 342:2016 (which has a subsequent separate supplement) covers cakes. The GSO can be purchased at:

<https://www.gso.org.sa/store/standards/GSO:728034/GSO%20342:2016>

GSO 2319:2013 covers general requirements for bakery products. The GSO can be purchased at: <https://www.gso.org.sa/store/standards/GSO:614991/GSO%202319:2013>

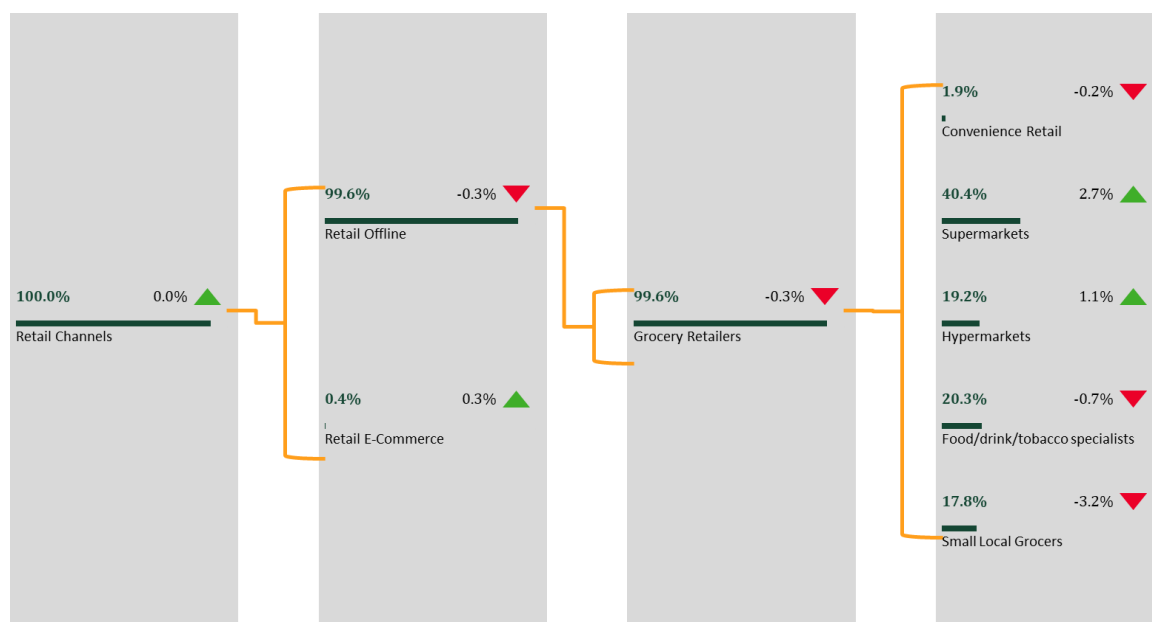
Against this background, it is worth consulting the full list of standards for cereals, pulses and derived products, available at <https://www.gso.org.sa/store/standards?ics=67.060>

Section 4.2.3 contains detailed information on the labelling requirements for packaged foods in general, the key piece of legislation regarding the labelling requirements for packaged foods is GSO 9. Also, Saudi Arabia has implemented a nutritional score traffic light label requirement for packaged food products.

5.12.5 Distribution

Grocery retailers account for 99.6% of all baked goods sales in Saudi Arabia in 2020, (Figure 5-49) with supermarkets accounting for 40.4% of all sales. Food/drink and tobacco specialists account for 20.3% of all sales followed by hypermarkets with a share of 19.2%. Small local grocers are another key channel of distribution accounting for 17.8% of sales with convenience retailers accounting for a far smaller share of just 1.9%. E-commerce is growing and in 2022 accounted for 0.4% of sales.

Figure 5-49: Distribution channel overview of baked goods in Saudi Arabia in 2022; % share



Source: Euromonitor International: Packaged Food, 2022.

5.12.6 Challenges for EU products

Currently, the biggest challenge for EU products is competing with domestic variants of baked goods which are abundantly available at relatively competitive prices and are often produced to cater to the tastes of Saudi Arabian consumers (e.g. products such as *baklava* and *kanafeh*). The rise in health consciousness further means consumers are limiting their consumption of baked goods with a high sugar or fat content which is another challenge.

Market Takeaway: Baked goods

Consumption: Consumption is common amongst consumers of all ages however for imported baked goods products in particular it is young, urbanised consumers who are the key consumer base.

Competition: The main competition comes from domestic Saudi Arabian products coupled with imports from the UAE, the US and Oman.

Distribution: Virtually entirely through grocery retailers such as supermarkets, food drink and tobacco specialists and hypermarkets with e-commerce being a small but growing channel of distribution.

Challenges: Competing with domestic producers who are more in tune with the preferences of the local population with regards to specialist bread, cakes and pastries coupled with the rise of health consciousness are the biggest challenges in this market.

Opportunities: The rise of social media usage coupled with a growing youth population are the biggest opportunities for EU baked goods products in Saudi Arabia.

5.13 Biscuits and Cereal bars

5.13.1 SWOT analysis

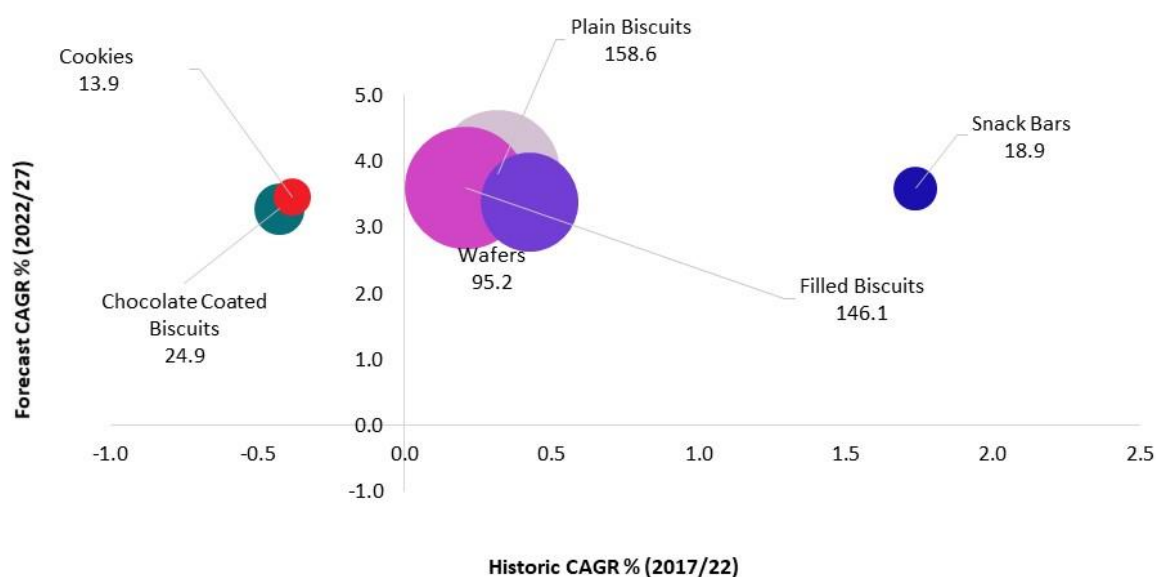
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> Italy is the largest overall importer with other EU member states such as Poland and Germany also being significant exporters. Domestic production tends to focus on the products which are economically priced, which limits competition in the market for premium high-end products (which EU exports tend to be). 	<ul style="list-style-type: none"> A growing health-conscious consumer base is negatively impacting biscuit and cereal bar products with high sugar, fat and calorie content. Date biscuit and cereal bar flavoured products are amongst the more popular in Saudi Arabia and are almost exclusively produced within the country or within the wider Middle Eastern region instead of the EU.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> Spike in demand around the end of Ramadan and during Eid. Rising female participation in the workforce is expanding the purchasing power of a large consumer group of biscuit and cereal bar products. 	<ul style="list-style-type: none"> Outside of Saudi Arabia, the UAE, Bahrain and the UK are the biggest competitors for EU biscuit and cereal bar products. Production of premium biscuits and cereal bars domestically is growing.

5.13.2 Consumption

Evolution of consumption

As shown in Figure 5-50, plain biscuits are the largest biscuit and cereal bar product category in Saudi Arabia with a total value of EUR 159 million. The category is expected to grow at a CAGR of around 4% between 2022 and 2027 which will see it remain the largest biscuit and cereal bar product in the market. The second-largest biscuit and cereal bar product category by total value is filled biscuits with a value of EUR 146 million followed by wafers with a value of EUR 95 million. The snack bar market is worth just under EUR 19m.

Figure 5-50: Evolution and forecast of the biscuit and cereal bar market in Saudi Arabia, 2017-2027 (EUR million)



Source: Euromonitor International: Packaged food, 2022.

Consumers

Younger consumers, family households and consumers who value indulgent products are the most common categories of biscuit and cereal bar consumer in Saudi Arabia. Consumers in urban areas are the key target group for biscuit and cereal bar products, with the utilisation of social media promotion further resonating with urban consumers. There are a wide number of domestic products which appeal particularly to lower-income earners; therefore, consumers of imported biscuit and cereal bar products are more likely to fall into the middle to upper-income class.

Drivers and method of consumption

Demand for biscuit and cereal bar products comes from the appreciation for a convenient quick snack product which has become an even bigger driver following the reopening of the economy post-Covid-19 as consumers return to the workplace. Biscuits and cereal bars are often consumed alongside coffee or tea which are both popular beverages in Saudi Arabia. Going forward, some of the bigger drivers will revolve around the rising demand for products which lean toward the rise of health consciousness in Saudi Arabia amongst consumers. Maamoul is one of the most famous snacks in Saudi Arabia, which is also often served to people with coffee or tea.

Purchase criteria

Price is a notable consideration for consumers in Saudi Arabia of biscuit and cereal bar products, with domestic biscuits and cereal bars sourced from the wider region typically being priced at an affordable rate for most consumers. Imported biscuit and cereal products from the EU will typically be priced at a more premium level which brings with it heightened expectations from consumers regarding packaging, texture and nutritional content. The implementation of a nutritional score labelling system in Saudi Arabia further makes the nutritional content of biscuits and cereal products a key purchasing criterion for consumers.

Recent market trends

The reopening of the economy post-COVID-19 has helped to create a rebound in sales for biscuit and cereal bar products as consumers return to the workforce which encourages the consumption of smaller snack food items. Increasingly, cereal bars are becoming more popular aided by the wider westernisation of the Saudi Arabian diet in recent years. The return of tourism to Saudi Arabia and the resumption of the annual pilgrimages to Mecca further aided biscuit and cereal bar sales in the country. There is a rising focus on healthy living which is increasingly affecting consumer diets and lifestyles in Saudi Arabia, and this continues to impact consumer spending decisions. There is a growing consumer interest in nutrition and greater participation in sports and exercise regimes which helps to contribute to a rise in demand for protein/energy bars. These products are likely to be increasingly seen on the shelves of a wide range of retailers, such as hypermarkets and pharmacies, as well as e-commerce, including through mobile apps. Moreover, most gyms, sports clubs and fitness centres have a “corner” for cereal bars and protein/energy bars.

5.13.3 Offer

Domestic production

There are several biscuit and cereal bar producers in Saudi Arabia which tend to operate within the hinterlands of cities in the country. The bigger companies that produce biscuit and cereal bar products in Saudi Arabia are Zahdan Group as well as the multinational Mondelez. The domestic production of biscuits tends to focus on traditionally consumed biscuit products such as Maamoul, plain biscuits, savoury biscuits and increasingly fruit

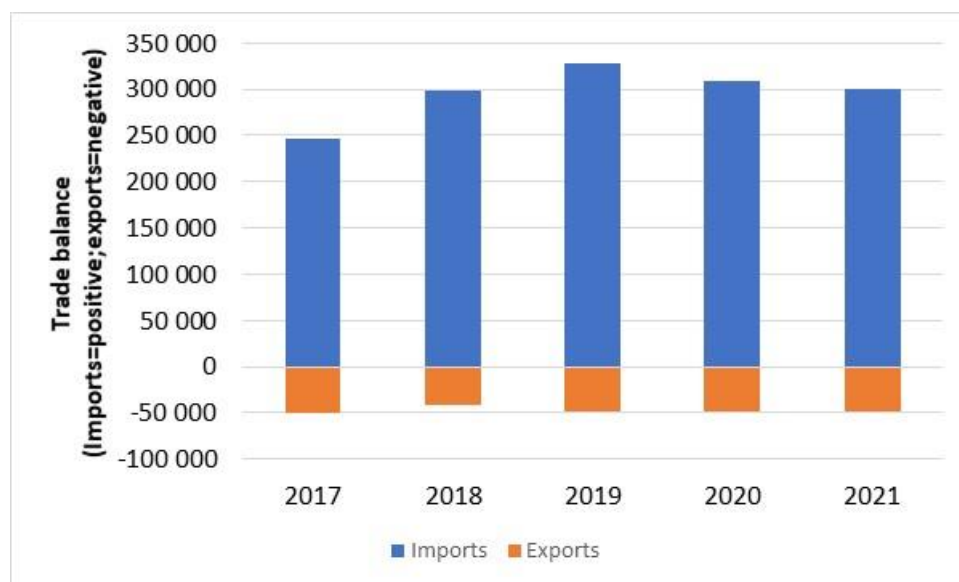
snack biscuits with dates being commonly incorporated into Saudi Arabian biscuit products. Despite the growing level of domestic production, Saudi Arabia remains a net importer of biscuit and cereal bar products.

Imports and exports

As shown below in Figure 5-51, Saudi Arabia is a net importer of biscuit and cereal bar products with the country importing to a value of EUR 300 million in 2021 compared to exporting to a value of EUR 49 million. Total imports have remained consistently around the value of EUR 300 million for the previous five years.

In terms of origin, as shown in Figure 5-52, Italy is the largest exporter of biscuit and cereal bar products to Saudi Arabia with a total trade value in 2021 of EUR 65 million. It should be noted that Loacker is a large player on the Saudi Arabian market, which may explain some of these imports. This is followed by the UAE and Bahrain Other larger exporters from the EU include Poland, Austria and Germany. Overall, the EU is highly present in the trade of biscuit and cereal bar products to Saudi Arabia, accounting for just under 40% of total imports of the product into Saudi Arabia.

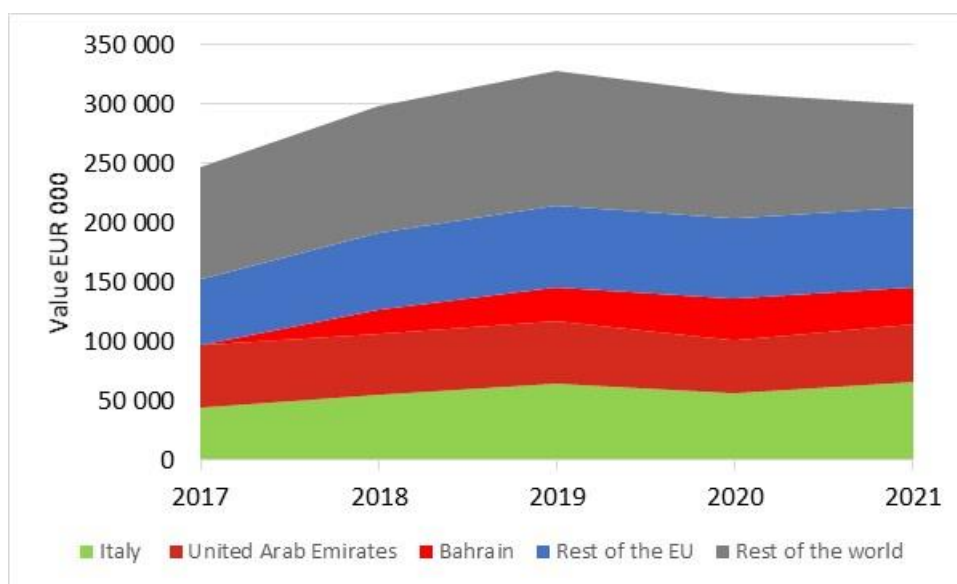
Figure 5-51: Trade balance (imports and exports) of biscuit and cereal bars in Saudi Arabia, 2017-21 (EUR 000)



Data for CN codes 190531 and 190532.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Figure 5-52: Saudi Arabian imports of biscuit and cereal bars by origin country, 2016-20 (EUR 000)



Data for CN codes 190531 and 190532.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

EU GI products

As noted in section 4.2.4, there is currently no agreement in place between Saudi Arabia and the EU on GIs. However, there is the possibility for GIs to be registered as collective marks or control/certification marks in Saudi Arabia. Interested exporters should consult their GI body to check whether or not this has been done / is being considered.

Main competitors

The main competitors come from domestic producers which focus largely on the production of economy-priced biscuit and cereal bars products in the country. The biggest competitors outside of the EU come from the UAE, Bahrain and the UK.

5.13.4 Specific market entry requirements

Market Access and Entry

Requirements specifically for the import of biscuits and cereal bars include, among others, a certificate of analysis and importer registration at the SFDA. A full list is provided in Table 4-2. These are in addition to the general import requirements set out in Table 4-1.

In terms of tariffs, for baked good products tariffs are between 5%-10%. More details can be found at the links below.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link - 190531 from Belgium to Saudi Arabia:

Standards, labelling

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

GSO 989:2016 covers biscuits. It can be purchased at <https://www.gso.org.sa/store/standards/GSO:727945/GSO%20989:2016>.

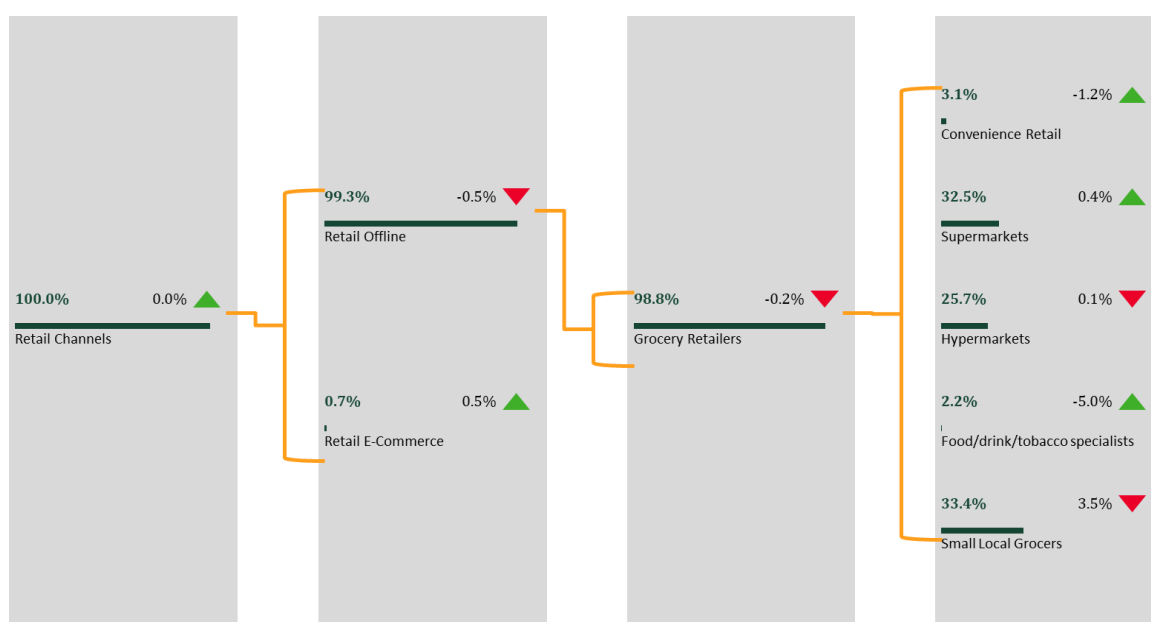
In certain cases, other GSOs may also be relevant. Against this background, it is worth consulting the full list of standards for cereals, pulses and derived products, available at <https://www.gso.org.sa/store/standards?ics=67.060>

Section 4.2.3 contains detailed information on the labelling requirements for packaged foods in general, the key piece of legislation regarding the labelling requirements for packaged foods is GSO 9. Also, Saudi Arabia has implemented a nutritional score traffic light label requirement for packaged food products.

5.13.5 Distribution

Figure 5-53 shows sweet biscuits distribution is focused mainly on grocery retailers which account for 98.8% of sales. The major retail outlets are small local grocers and supermarkets which account for 33.4% and 32.5% of all sales respectively. Hypermarkets accounted for 25.7% of sales. Convenience retailers accounted for 3.1% of sales followed by the e-commerce channel which accounts for 0.7% of sales.

Figure 5-53: Distribution channel overview of sweet biscuits in Saudi Arabia (2022); % share

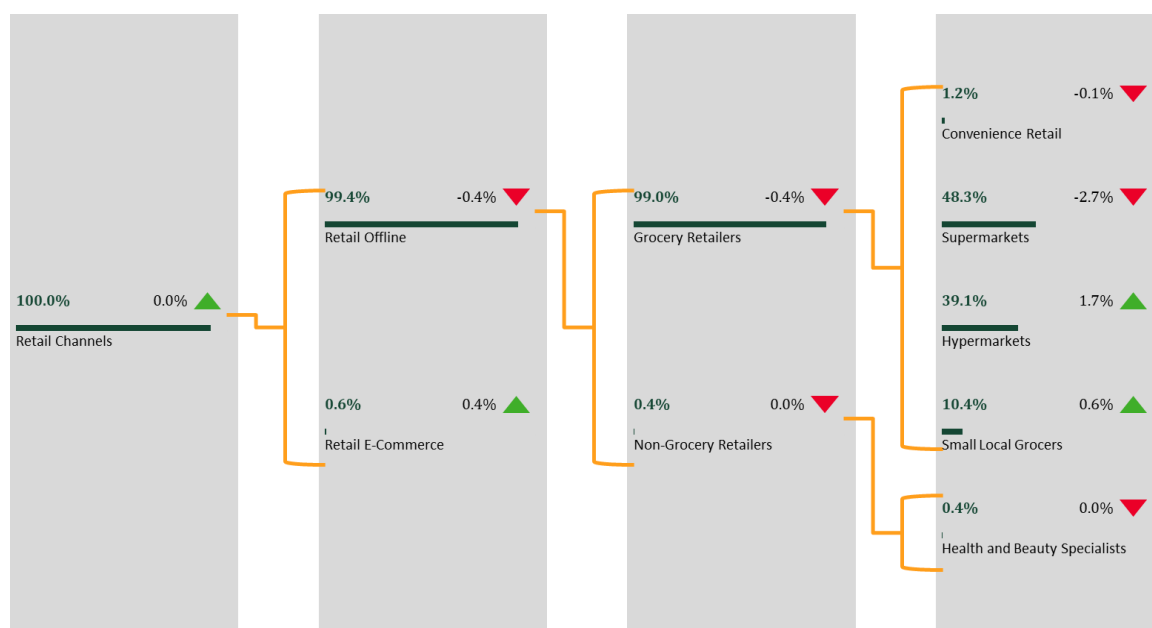


Source: Euromonitor International: Packaged food, 2022.

Grocery retailers are the main distribution channel for cereal bars in Saudi Arabia accounting for 99% of all sales in 2021. Hypermarkets and supermarket retailers are the main distribution channels for cereal bars in Saudi Arabia. Small local grocers are also an

important channel accounting for 10.4% of sales. E-commerce sales continue to grow and today account for 0.6% of snack bar sales in Saudi Arabia.

Figure 5-54: Distribution channel overview of cereal bars in Saudi Arabia (2022); % share



Source: Euromonitor International: Packaged food, 2022.

5.13.6 Challenges for EU products

Arguably the biggest challenge for EU products is competition from domestic producers however domestic products tend to appeal more to lower-income earners more especially while imported biscuits and cereal bars tend to appeal more to middle- and upper-income earners who are willing to spend more to obtain them. Catering to the rising demand for healthier variants of biscuits and cereal bars is the other major challenge in this market.

Market Takeaway: Biscuit and cereal bars

Consumption: The consumption of biscuits and cereal bar products is popular amongst all age groups and income classes; however, urbanised youth consumers and family households are key consumer groups to target.

Competition: Mainly from domestic producers who tend to focus on the production of economy-priced biscuit and cereal bar products. The biggest competitors from outside of Saudi Arabia come from the UAE, Bahrain and the UK.

Distribution: Mainly sold in grocery retailers such as supermarkets, hypermarkets and small local grocers. E-commerce distribution remains small but growing.

Challenges: Competing with domestic products coupled with the need to cater to a growing health-conscious consumer base are the bigger challenges in the market.

Opportunities: Celebration of events such as Eid coupled with consumers returning to the workforce.

5.14 Ice Cream

5.14.1 SWOT analysis

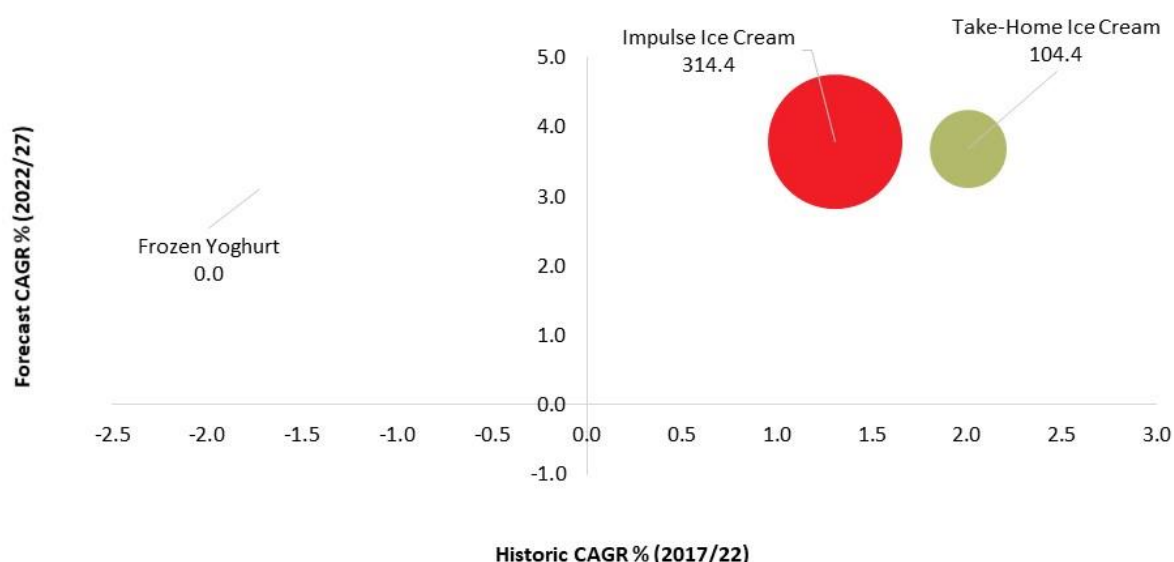
STRENGTHS (+)	WEAKNESSES (-)
<ul style="list-style-type: none"> Saudi Arabia is a large market for ice cream products in the region with a limited domestic production base. Females are a key consumer group of ice cream with a rising number of females entering the workforce increasing their purchasing power. 	<ul style="list-style-type: none"> Older consumers traditionally have not consumed many ice cream products and will be additionally hard to target. Rising health consciousness amongst the population limits demands for certain ice cream flavours and varieties.
OPPORTUNITIES (+)	THREATS (-)
<ul style="list-style-type: none"> Reopening of the tourism sector increases demand for a wider variety of ice cream flavours. A growing interest in western consumption habits amongst the population. 	<ul style="list-style-type: none"> Domestic production is growing and adapting to demands for new flavours. The influx of ice cream products from the US, the UAE and Kuwait are the biggest competitors from outside of Saudi Arabia.

5.14.2 Consumption

Evolution of consumption

As shown below in Figure 5-55, Impulse ice cream is the largest category by retail value with a retail value of EUR 314 million. Impulse ice cream is forecast to grow by a CAGR of 3.8% between 2023 and 2027 and hence to be the fastest-growing ice cream category in this period. Take-home ice cream has a retail value above EUR 202 million. The categories for unpackaged ice cream and frozen yoghurts are extremely small with no major valuation of note.

Figure 5-55: Evolution and forecast of the ice cream market in Saudi Arabia, 2017-2027 (EUR million)



Source: Euromonitor International: Packaged food, 2022.

Consumers

Consumption of ice cream is growing in Saudi Arabia aided by the hot climate of the country which facilitates the demand for cold desert treats. The influence of western food consumption habits amongst consumers further aids ice cream sales in the country. The biggest consumers of ice cream in Saudi Arabia are young consumers in urban areas, family households and tourists. The rise of female participation in the workforce further aids the sale of take-home ice cream in particular as, on balance, females are a greater consumer of these products than men are. Health-conscious consumers will seek out products with natural ingredients and no preservatives.

Drivers and method of consumption

There are several key drivers which influence the demand for ice cream in Saudi Arabia. Some of the more notable drivers include the hot climate of the country, the rise in interest surrounding western food and beverage products, the return of the tourism sector and the rise in female participation in the workforce. Ice cream is often consumed as a snack product, particularly during the middle of the day when the heat is at its most intense. Consuming ice cream at the home to relax or after a dinner meal is also increasingly popular in Saudi Arabia.

Purchase criteria

The price, variety and packaging of ice cream are amongst the more important purchasing criteria for consumers in Saudi Arabia. Ice cream prices have fallen in recent years as imports have increased and the popularity of Ice cream continues. Saudi Arabian consumers have become more health conscious post-COVID-19 which means that consumers now take more time to check over the nutritional content of products. Concerning ice cream, the consumer who is health conscious will more likely seek out products with low fat, sugar and no preservative variety. High-end ice cream products will bring with them heightened expectations surrounding the packaging of the product, in combination with heightened expectations also surrounding the taste and texture of the ice cream.

Recent market trends

Over the past years, the outbreak of Covid-19 in Saudi Arabia caused a strong decline in retail volume and current value and foodservice volume sales of ice cream. This decline was primarily due to the lack of impulse purchases and on-the-go consumption, as consumers in Saudi Arabia faced periods of home seclusion and restrictions on their freedom of movement. Consumers in Saudi Arabia often purchase ice cream products to consume immediately, but health and hygiene guidelines relating to the Covid-19 pandemic made such purchases and consumption less viable. The return to pre-pandemic work, social, leisure and entertainment norms, and the reopening of schools have helped to boost ice cream sales in the country. Plant-based ice cream is gaining popularity in Saudi Arabia, in line with evolving consumer consciousness of the importance of healthy eating, and healthier lifestyles in general. Furthermore, there is a growing demand for multi-pack ice cream in Saudi Arabia, since the implementation of the 15% VAT (value-added tax) rate in 2020. This exerted significant upward pressure on prices.

5.14.3 Offer

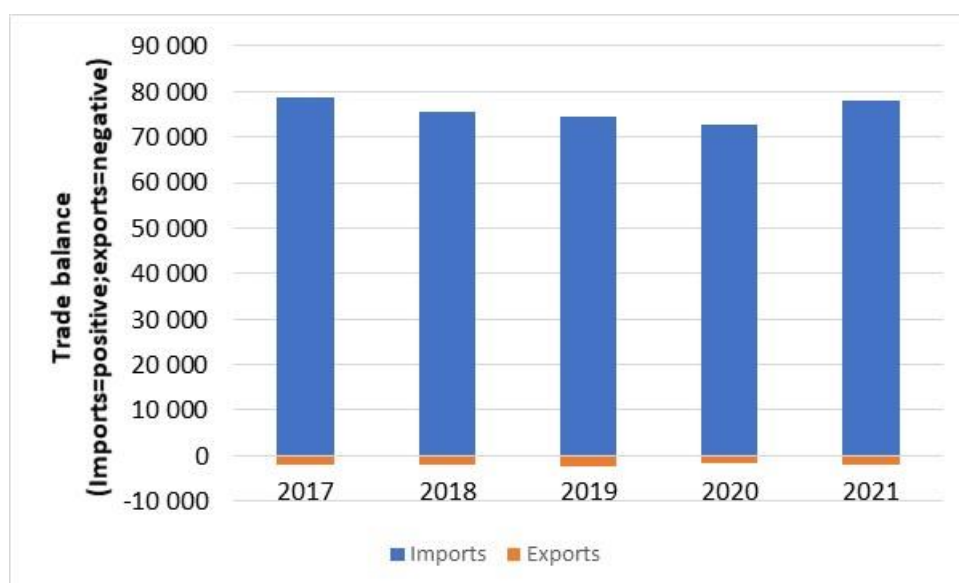
Domestic production

Ice cream production in Saudi Arabia is a relatively new and growing industry largely made up of SMEs seeking to cater to the growing demand for ice cream products in the country. IFFCO group is the company with the largest company, holding almost $\frac{1}{4}$ of the market, followed by the Saudi Dairy and Foodstuff CO with just over $\frac{1}{5}$ th and the Saudi Ice-cream factory LTD with a share of just over 15%. Some of the more popular flavours produced include *bastani*, pistachio and rose with chocolate, strawberry and vanilla ice creams growing in production.

Imports and exports

Saudi Arabia is a net importer of ice cream, importing a total of EUR 77 million worth of ice cream in 2021 (Figure 5-56). Saudi Arabian exports reached a value of EUR 2 million in 2021 which is the highest export value of ice cream in the past five years.

Figure 5-56: Trade balance (imports and exports) of ice cream in Saudi Arabia, 2017-2021 (EUR 000)

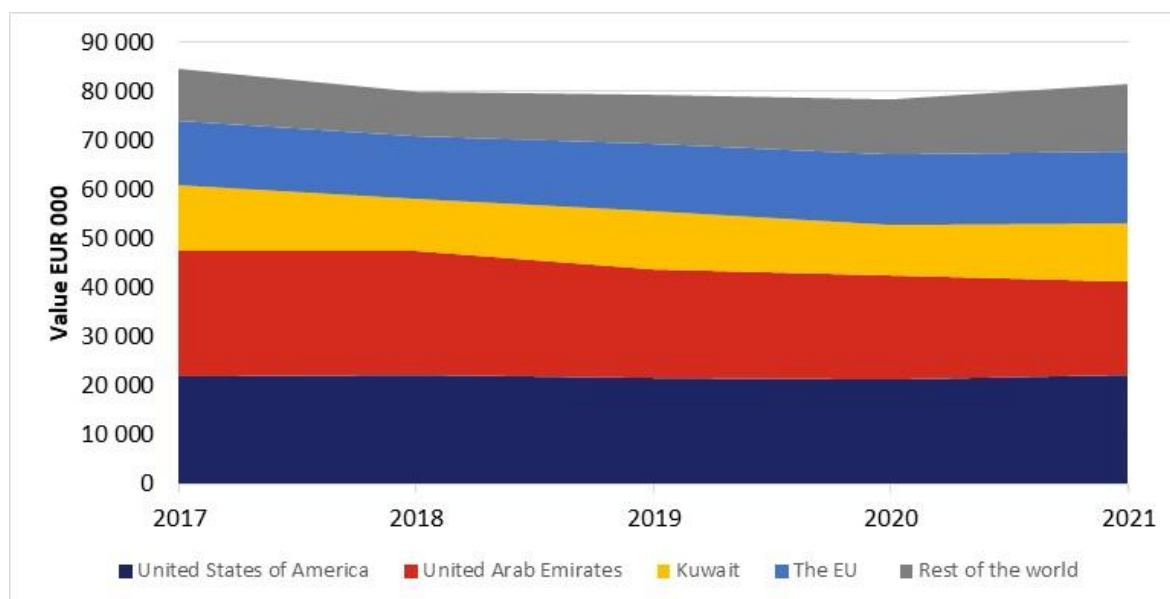


Data for CN code 2105.

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Figure 5-57 shows the largest exporter of ice cream to Saudi Arabia is the US with the country exporting a total of EUR 22 million worth of ice cream to Saudi Arabia in 2021. This is followed by the UAE which exported a total of EUR 19 million worth of ice cream and Kuwait which exported a total of EUR 11 million. Overall, the EU accounted for roughly 20% of all ice imports to Saudi Arabia with some of the bigger exporters including France, Ireland and Spain.

Figure 5-57: Saudi Arabia imports of ice cream by country, 2017-2021; EUR 000



Data for CN code 2105

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Main competitors

The largest competition in Saudi Arabia for EU ice cream products comes from the US, the UAE and Kuwait which are the three largest exporters of ice cream to the country. Other large exporters include Jordan and the UK. However, ultimately domestic production accounts for the majority of the market and furthermore it is also increasing which will cause further competition for EU ice cream products in upcoming years.

5.14.4 Specific market entry requirements

Market Access and Entry

Requirements specifically for the import ice cream include, among others, a certificate of analysis and importer registration at the SFDA. A dioxin certificate may also be required. A full list is provided in Table 4-2. These are in addition to the general import requirements set out in Table 4-1.

In terms of tariffs, for ice cream products tariffs are 15%. More details can be found at the links below.

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link - 2105 from Austria to Saudi Arabia:

<https://trade.ec.europa.eu/access-to-markets/en/results?product=2105&origin=AT&destination=SA>

Standards, labelling

The **Food Act and Regulation** is the primary piece of legislation for which the SFDA is responsible in the area of food. The most recent version from 2017 can be found at the following link:

<https://www.sfda.gov.sa/sites/default/files/2021-04/Food%20Act%20%26%20Regulation.pdf>

GSO 457:2021 covers edible ices. It can be purchased at the following link: <https://www.gso.org.sa/store/standards/GSO:781149/GSO%20457:2021>

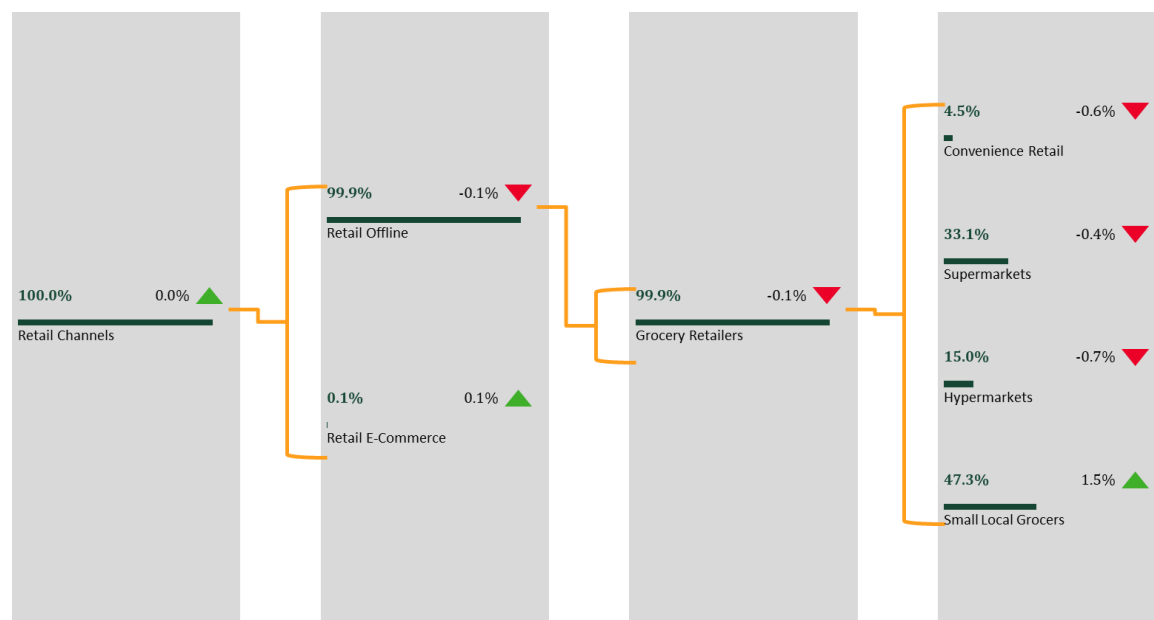
A draft of the proposed standard from 2019 can be found, in Arabic, on the SFDA website at the following link: <https://www.sfda.gov.sa/sites/default/files/2019-06/Edible%20Ices.pdf>. However, it is important to note that this is the notified draft only, and the final standard may differ.

Section 4.2.3 contains detailed information on the labelling requirements for packaged foods in general, the key piece of legislation regarding the labelling requirements for packaged foods is GSO 9. Also, Saudi Arabia has implemented a nutritional score traffic light label requirement for packaged food products.

5.14.5 Distribution

Grocery retailers account for virtually all ice cream sales in Saudi Arabia with small local grocers accounting for 47.3% of sales. Supermarkets further account for a third of sales followed by hypermarkets with a share of 15%. Convenience retailers are a small distribution channel however they still account for a 4.5% share of distribution.

Figure 5-58: Distribution channel overview of ice cream in Saudi Arabia (2022); % share



Source: Euromonitor International: Packaged food, 2022.

5.14.6 Challenges for EU products

Challenges for EU products include reaching out to new consumers of ice cream as the product remains largely niche amongst certain consumer groups such as older consumers. Further, the influx of ice creams from other markets such as the US, the UAE and Kuwait are the biggest exporters of ice creams to Saudi Arabia. Consumers are increasingly health

conscious which is driven producers to pivot to the production of ice creams with a lower level of sugar, fat and calorie content. Demand for plant-based ice creams with natural ingredients is rising which may push some EU producers to pivot their production habits to cater to the Saudi Arabian market.

Market Takeaway: Ice cream

Consumption: *The consumption of ice cream remain niche amongst older consumers with the biggest consumer groups being young urban workers (particularly females), tourist and family households.*

Competition: *The US, the UAE and Kuwait are the biggest foreign-based competitors to EU ice cream products in Saudi Arabia, though ultimately domestic production is both important and also growing in recent years.*

Distribution: *Grocery retailer account for virtually all sales with small local grocers accounting for 47.3% of all sales. A third of sales further come via supermarkets while hypermarkets accounted for 15% of sales.*

Challenges: *Targeting older consumers, competing with ice cream from the US, the UAE and Kuwait, the need to pivot towards healthier variants of ice cream and the rise in domestic production are amongst the biggest challenges for EU ice cream products in Saudi Arabia.*

Opportunities: *A rebound in tourism coupled with the increasing interest amongst many consumers of western dietary trends are the bigger opportunities in the Saudi Arabian market.*

6 Communication

6.1 Communication strategy

Companies wanting to market products and advertise in Saudi Arabia have several different channels to consider. The aim of this section is to breakdown each section of the mass media landscape in Saudi Arabia and to introduce the main communication channels (new and traditional media, as well as fairs) available in the country, as well as provide a brief overview of key regulations for the advertising of food and beverages.

6.1.1 Online & Digital Media

The number of internet users in Saudi Arabia is quite high with virtually all consumers in the country having access to the internet. There are an estimated 41 million cellular phones in Saudi Arabia which can connect to the internet (higher than the population of the country itself) and roughly 97% of the population between the age of 16-64 has accessed the internet at least once a week. The high youth population of the country which has grown up in an ever more internet-savvy culture has further increased the mass adoption of the internet in Saudi Arabia. Mobile devices are the most popular means of accessing the internet in Saudi Arabia followed by laptops, tablet devices and game consoles. On average, consumers spend up to 8 hours a day on the internet in Saudi Arabia which is one of the higher rates in the Middle Eastern Region.³⁰

As a result of the high and ever-increasing use of the internet in Saudi Arabia, and following the Covid-19 lockdowns, online and digital marketing is becoming increasingly important. The internet is heavily monitored in the country and restrictions are placed on accessing certain websites, however, for food and beverage producers of non-illegal foodstuffs in Saudi Arabia this should not be a major concern.

Digital advertising agencies may provide companies with support to develop a successful digital marketing strategy for Saudi Arabia. The box below includes some of the larger digital advertising companies though other agencies also exist.

Notable Saudi Arabian Digital Advertising Agencies

New Step Media - <https://newstepmedia.net/>

Ice Tulip - <https://icetulip.com/>

Moburst - <https://www.moburst.com>

Micro Details - <https://micro-details.com/>

Social media platforms

Most social media platforms which are popular in Saudi Arabia are of western origin and producers of EU food and beverages will be well accustomed to advertising their products on these platforms. The most popular social media platform in Saudi Arabia is WhatsApp which is used by 87% of the population of internet users aged between 16-64, this is followed by Instagram and TikTok. Below is a further breakdown of the most popular social media platforms in Saudi Arabia.

³⁰ Digital 2022: Saudi Arabia, Hootsuite, available at <https://datareportal.com/reports/digital-2022-saudi-arabia>

WhatsApp

WhatsApp is the most popular social media platform in Saudi Arabia, with roughly 87% of internet users aged 16-64 using WhatsApp. Advertising via these platforms is more difficult and limited compared to other major platforms such as Facebook or Instagram, however providing a WhatsApp number via a QR code or directly in the advertising of food and beverages in Saudi Arabia will be appreciated by consumers.

Instagram

Instagram is the second most popular social media platform in Saudi Arabia, with the country having up to 14 million users of the platform as of 2022. Males accounted for 58% of users in the country while females accounted for 42% of users. It is estimated that the ad reach of commercials via Instagram can be up to 55% of the entire Saudi population which makes the platform a key focus of advertising in the country for EU food and beverages producers.

Notable Instagram food influencers in Saudi Arabia

Ahmad Al Zamel - www.instagram.com/ahmadalzamel

Darin Al Bayed - <https://www.instagram.com/darin00013>

Misho Baeshen - https://www.instagram.com/misho_baeshen

The joy of Cooking - https://www.instagram.com/joy_of_cooking

Sn3at - <https://www.instagram.com/sn3at>

Twitter

Twitter is the third most popular social media platform in Saudi Arabia with the platform having a penetration rate of around 71% of the Saudi population. Twitter is one of the largest means of information gathering online in Saudi Arabia and this is usually one of the purposes of the platform for Saudi consumers rather than seeking out new trends or products in the food and beverage sector.

TikTok

TikTok is one of the fastest-growing social media platforms in both Saudi Arabia and the wider Middle Eastern region. Most users of this platform are younger consumers below the age of 25 although the platform is popular amongst all age groups. Males accounted for 61% of TikTok users in Saudi Arabia with females accounting for 39% of users. Up to 64% of internet users in Saudi Arabia have a TikTok account making it another key channel of advertising in the country.

Other platforms

The above four platforms are the most popular in Saudi Arabia by some distance. However, Facebook has a penetration rate of about 63%, followed by Telegram at around 60%, Messenger at 43%, Pinterest at 26% and LinkedIn at around 25%. Thus, these platforms are used by many people in Saudi Arabia as well and could offer interesting marketing opportunities.³¹

Food blogs

Another interesting option to promote EU food products in Saudi Arabia is to work closely together with food bloggers. There are possibilities to hire food bloggers and ask them to promote certain products on their blogs within the legal boundaries of what is permitted in the Saudi market.

Well-known food bloggers are influencers as well and increasingly cross over between

³¹ Digital 2022: Saudi Arabia, Hootsuite, available at <https://datareportal.com/reports/digital-2022-saudi-arabia>

written blogs and several social media accounts. This diversity of channels used also diversifies the exposure of a product on several platforms.

The box below contains a selection of notable food bloggers in Saudi Arabia, though this list is not extensive and certain blogs may be particularly relevant for certain food and beverage products. The sources in the footnotes may be referred to for more comprehensive lists of food bloggers.

Selected top Saudi Arabian Food Blogs³²

Saudi Food Eman - <https://www.youtube.com/user/SaudiFoodWithEman/about>

Food with Shayne - <https://foodwithshayne.com/>

The foodie Inc - <https://www.thefoodies.online/>

The pink tarha - <https://www.thepinktarha.com/ksa/>

Hisham Baeshen - <https://www.mishobaeshen.com/>

6.1.2 Traditional Media

Despite the increasing popularity of digital and online media, traditional media still plays an important role in Saudi Arabia, in particular among certain demographic groups such as older consumers. Advertisements via television, radio or newspapers can also be very useful. More information on different traditional media by type is set out below:

- **Television:** Television in Saudi Arabia arrived in the year 1965 and today the market is largely made up of five major companies, those being the Middle east broadcasting centre, SM Enterprise TV, Saudi TV, the Lebanese broadcasting corporation (LBC) and Rotana. Saudi TV is the state-owned TV channel in the country and operates four national TV channels with these channels being Saudi one, Saudi Two, Al Riyadh and Al Ekharriya. The most viewed TV channels in the country as of 2021 are Al Arabiya, MBC 1 and Dubai TV. Over three-quarters of the population will watch TV at least once a week in the country although total viewership has declined in recent years as the popularity of the internet in the country continues to expand.
- **Print media:** Most newspapers in Saudi Arabia are independently-owned (rather than state-owned); however they are generally heavily subsidised by the Saudi government. Newspapers are viewed by the Saudi government as a means of positive and unifying information distribution which means most advertising in Saudi newspapers has to reflect the state in a positive light. This should be taken into account by EU food and beverage producers seeking to utilise newspapers and print media as a means of advertising. Some of the more notable newspapers in Saudi Arabia include Al-Madina, Al-Nadwa, Al-Riyadh and Al-Eqtisadiyah. There are also several English-language newspapers in the country such as Al-Hayat, Arab News and the Saudi Gazette. Newspaper circulation has declined in recent years due to the rise in popularity of the internet as a means of information gathering in Saudi Arabia.
- **Radio:** Radio is another popularly used media platform in Saudi Arabia however many stations are heavily regionalised which is a reflection of the difficult terrain and climate of Saudi Arabia. Many religious broadcasts are carried out over the radio which is one of the more popular reasons for radio usage in Saudi Arabia. Some of the larger radio stations in Saudi Arabia include Rotana FM, Alif Alif FM and Mix FM.

³² 10 Saudi Foodie Accounts that will absolutely make your mouth water, Lovin Riyadh, available at <https://lovin.co/riyadh/en/food/10-saudi-foodie-accounts-in-saudi-that-will-absolutely-make-your-mouth-water/>

6.1.3 Fairs and exhibitions

In addition to the digital approach or traditional media, companies may decide to promote their products at various trade fairs. Trade fairs are numerous, cover a broad range of product sectors and are generally considered a more attractive and sophisticated method for in-country product promotion and industry networking.

While the majority of trade fairs take place in urban centres such as Riyadh, and Jeddah, there are also some fairs in smaller cities/areas. Riyadh International Convention Centre, the King Abdul Aziz Conference Centre, the Riyadh Front Exhibition Centre, the King Faisal Conference Centre and Jeddah international Convention Centre are notable trade fair venues in Saudi Arabia.

A list of selected major upcoming food-related events and fairs can be found in section 0. Further, more comprehensive lists including more specialist fairs can also be found online at websites such as:

- [Events in Saudi Arabia, List of All Events in Saudi Arabia \(10times.com\)](#)
- [Trade Fairs Saudi Arabia –| worldwide \(tradefairdates.com\)](#)

6.2 Advertising regulations

The Saudi Food & Drug Authority is the Saudi government agency which is responsible for the establishment of regulations and standards relating to food and beverage advertising. The food and cosmetics sectors are governed by laws enacted by Royal Decrees. The two main regulations governing the sectors are the Saudi Food Act (Royal Decree No. M/1, dated 30 October 2014) and its Implementing Regulations (the Food Act Implementing Regulations). The act further requires all food and beverage producers or establishments to obtain a license to advertise in Saudi Arabia from the Saudi Food & Drug Authority.

Below is a list of advertising requirements in Saudi Arabia relating to the advertisement of food and beverage products:

- *The advertisement must not contain any information or elements in contradiction to Sharia Law or Islamic teachings.*
- *The advertisement must not encourage bad dietary habits or unhealthy lifestyles, particularly in children.*
- *It is forbidden to use children in advertisements which depict them being in danger.*
- *The advertisement cannot use the logo of the Saudi Food & Drug Authority.*
- *The advertisement must not bear any nutritional information or health claims contrary to the technical regulations laid out by the Saudi Food & Drug Authority.*

Concerning health claims, the Saudi Food & Drug Authority has implemented the Saudi Technical Regulation Requirements of Food Products with Nutritional and Health Claims (SFDA.FD 2333). See section 4.4.1 for more information regarding labelling.

Consumer protection: Consumer protection principles are addressed in both the Food Act and the Cosmetics Law. A list of requirements to ensure consumer protection in Saudi Arabia is provided below:

In respect of food products, Article 16 of the Food Act prohibits the handling and advertising of products in the following circumstances:

If it violates Sharia Islamic law (e.g., contains components that are not halal or are mixed with non-halal components through any stage of the food chain).

If it is harmful to health or unsafe for consumption.

If it violates technical regulations or food standards.

If it is not packed according to the relevant regulations.

If it lacks the required nutritional labelling set out by the Saudi Food & Drug Authority; or

If it is not registered with the Saudi Food & Drug Authority.

Alcohol advertising: Under Sharia law, the advertisement and consumption of alcoholic drinks is strictly forbidden. However, there is a growing non-alcoholic drinking scene in Saudi Arabia which allows for the limited advertising of non-alcoholic drinks provided they do not depict such drinks as healthy, the advertisement does not depict any children and the advertisement does not relate to non-alcoholic drink consumption with socialising or mixing with genders.³³

³³ The Food, Beverage and cosmetic law review: Saudi Arabia, The Law Reviews, available at <https://thelawreviews.co.uk/index.php/title/the-food-beverage-and-cosmetics-law-review/saudi-arabia>

7 Saudi Arabian Etiquette

7.1 Quick facts

It is important to remember that Saudi Arabia is an Islamic theocracy and absolute monarchy. These two facts have considerable impacts on overall etiquette rules. It should be noted that failure to adhere to the more important Saudi social etiquette may result in you getting into trouble with the authorities which can include a fine or at worse imprisonment. Some general etiquette considerations are set out below; some of these are explored in more detail in section 7.2 below:

- *The Muslim religion impacts working days/times, major holidays and other aspects such as gift-giving practices.*
- *The Saudi work week is between Sunday-Thursday, try to not organise any meetings on Friday (in particular) and Saturday.*
- *Respect elders in Saudi Arabia as failure to do so will not be well received, for example, when dining with someone who is visibly older, do not eat until they begin as eating before an elderly person is considered disrespectful.*
- *Family is highly important. Saudi Arabia has a collectivist culture and people generally have strong connections with their families, friends and often even with their neighbours and the whole community.*
- *Avoid discussing the Saudi Royal family when visiting the country, any negative remarks, in particular, will not be well received and could get you in trouble.*
- *The elderly are greatly respected in Saudi Arabia. If an elderly enters the room it is polite to stand up, and if no other seat is available offer the person one's seat.*
- *Avoid travelling to areas near the border with Yemen, as Yemen is currently in a state of instability which can threaten your safety even within Saudi Arabia.*
- *Do not photograph any government buildings, airports, royal palaces or military institutions.*
- *Do not bring into Saudi Arabia any religious symbols outside of the Islamic faith.*

7.2 Key DOs and DON'Ts

Dos	Don'ts
<ul style="list-style-type: none">• Research social taboos within the Islamic religion.• Research the law concerning what women can and cannot do within Saudi Arabia.• Dress conservatively.• Respect elders and observe social etiquette such as waiting for elders to begin eating before eating yourself.• Always greet the oldest person in the room first as Saudi Arabians highly respect their elderly.• Respect that word of mouth is the key foundation of trust building in Saudi business culture.• Try and converse with new business partners on a personal level, yet without being too personal.• Bring an appropriate guide when wandering rural areas and bring a translator to a business meeting.	<ul style="list-style-type: none">• Insult the Saudi royal family or the Islamic faith.• Bring any alcoholic or pork products into the country, further, do not seek out these products after arriving in the country.• Bring any religious symbols into the country outside of the Islamic faith.• Take photos of any government, royal or military institutions. Further do not point a camera at any individual as this is considered extremely rude.• Travel to the border region with Yemen.• Organise a work meeting on a Friday or Saturday.• Wonder rural Saudi Arabia by yourself as rural Saudi Arabia is vast and home to an extremely dangerous hot climate for humans which can lead to death if unprepared.• Bring a gift to a business meeting as this may be viewed as an attempt at corruption.

Source: Do's and don'ts Saudi Arabia, Culture Atlas, available at <https://culturalatlas.sbs.com.au/saudi-arabian-culture/saudi-arabian-culture-do-s-and-don-ts>, Do's and don'ts in Saudi Arabia, Culture INC available at <https://www.culture-inc.com/wp-content/uploads/2013/03/Saoediarabie.pdf>

8 Directory of Trade Support Projects, Organisations, and Service Providers

There are a variety of services available, both within the EU and in Saudi Arabia, for producers wishing to export to Saudi Arabia. These service providers include EU-funded projects, services provided by the Member States and their embassies, other organisations and service providers, as well as buyers, importers, and distributors.

- a) Section 8.1 contains the project profiles for EU-funded initiatives operating in Saudi Arabia.
- b) Section 8.2 contains the contact information for Member State embassies within Saudi Arabia
- c) Section 8.3 contains a listing of service providers including some information on the services available.
- d) Section 0 provides a calendar of exhibitions, trade shows, and other events to be held in Saudi Arabia in 2022.
- e) Section 8.5 contains a database of professionals' contacts (buyers, importers, and distributors).

8.1 European Union Organisations

Certain EU-funded, or co-funded, projects within the Saudi Arabian market offer a range of business-enabling services and information providing important insights into the Saudi Arabian market. Depending on your company profile these services can be free or fee-based and are available for companies from any EU Member State.



Delegation of the European Union to Saudi Arabia

The European Union delegation in Saudi Arabia represents the voice of the European Union in Saudi Arabia and actively encourages deeper cooperation in several areas including business. The delegation is available to advocate European interests in the country. The delegation has been involved in the promotion of EU agri-food products in Saudi Arabia and the wider Gulf region.

Contacts

□ Al-Maathar, Thabet Al-Loghawi Street, Riyadh

☎ (+966) 11 4827 057

✉ https://www.eeas.europa.eu/delegations/saudi-arabia_en

💻 Delegation-Saudi-Arabia@eeas.europa.eu

8.2 Directory of EU Member State Embassies/Consulates

EU MS	Address	Contact information
Austria (Embassy)	Austrian Embassy PO Box 94373, Diplomatic Quarter of Riyadh	☎ (+966) 480 12 17 ✉ Contact Through Website 🌐 https://www.bmeia.gv.at
Belgium (Embassy)	Diplomatic Quarter Main Road Lot No A2, Riyadh	☎ (+966) 11 488 21 91 ✉ riyadh@diplobel.fed.be 🌐 https://saudi-arabia.diplomatie.belgium.be/
Bulgaria (Embassy)	Assafarat District, Dareen Street 4067, Riyadh	☎ (+966) 11 25 11 553 ✉ Embassy.Riyadh@mfa.bg 🌐 https://www.mfa.bg/
Croatia (Embassy)	3, Abou El Feda St, Zamalek, Cairo, Egypt (Responsible also for Saudi Arabia)	☎ (+20) 227 355 815 ✉ croemb.cairo@mvep.hr 🌐 http://www.mvep.hr/
Czech Republic (Embassy)	Al Nuzha District, Saan Gharir Street, Riyadh.	☎ (+966) 11 494 1022 ✉ riyadh@embassy.mzv.cz 🌐 https://www.mzv.cz/
Denmark (Embassy)	Main road one, Diplomatic Quarter, Riyadh	☎ (+966) 11 488 0101 ✉ ruhamb@um.dk 🌐 https://saudi-arabien.um.dk/
Estonia (Embassy)	Etihad tower 2, Office tower 3, level 2, Abu Dhabi, UAE (responsible also for Saudi Arabia)	☎ (+971) 2 408 3777 ✉ embassy.abudhabi@mfa.ee 🌐 https://abudhabi.mfa.ee/
Finland (Embassy)	Diplomatic Quarter, PO Box 94363, Riyadh	☎ (+966) 114 882 114 ✉ Sanomat.RIA@formin.fi 🌐 https://finlandabroad.fi/
France (Embassy)	Diplomatic Quarter, PO Box 94367, Riyadh.	☎ (+966) 1 488 28 82 ✉ diplomatie@ambafrance.org.sa 🌐 https://sa.ambafrance.org/
Germany (Embassy)	Diplomatic Quarter, PO Box 94001, Riyadh.	☎ (+966) 112 77 69 00 ✉ Contract through website 🌐 https://saudi-arabien.diplo.de/
Greece (Embassy)	Diplomatic Quarter, PO Box 94375, Riyadh.	☎ (+966) 114 801 974 ✉ gremb.ria@mfa.gr 🌐 https://www.mfa.gr/saudi-arabia
Hungary (Embassy)	Al Waha District, Ahmed Al-Touncy, Riyadh	☎ (+966) 11 454 6707 ✉ consular.ryd@mfa.gov.hu 🌐 https://riyad.mfa.gov.hu/
Ireland (Embassy)	Diplomatic Quarter, Po Box 94394, Riyadh	☎ (+966) 11 407 1530 ✉ Contact through Website 🌐 https://www.dfa.ie/
Italy (Embassy)	Diplomatic Quarter, Po Box 94389, Riyadh	☎ (+966) 11 488 12 12 ✉ segreteria1.riad@esteri.it 🌐 https://ambriad.esteri.it/
Latvia (Embassy)	Villa 24, Sector west 36, Plot No 84A, Abu Dhabi, UAE (also responsible for Saudi Arabia)	☎ (+971) 244 732 67 ✉ embassy.uae@mfa.gov.lv 🌐 https://www2.mfa.gov.lv/

EU MS	Address	Contact information
Lithuania (Embassy)	Villa 173 Hameem Street, Al Nahyan camp, Abu Dhabi, UAE. (also responsible for Saudi Arabia)	☎ (+971) 2 309 0447 ✉ amb.ae@mfa.lt 🌐 https://uae.mfa.lt/
Luxembourg (Embassy of Belgium caters to Luxembourg citizens)	Diplomatic Quarter Main Road Lot No A2, Riyadh	☎ (+966) 11 488 21 91 ✉ riyadh@diplobel.fed.be 🌐 https://saudi-arabia.diplomatie.belgium.be/
Malta (Embassy)	Abbas Al Rasheed Street, Riyadh	☎ (+966) 11 463 23 45 ✉ maltaembassy.riyadh@gov.mt 🌐 https://foreign.gov.mt/
The Netherlands (Embassy)	Abudullah Hizaf Ashemi Street, Riyadh	☎ (+966) 11 442 2300 ✉ Contact via website 🌐 https://www.netherlandsworldwide.nl/
Poland (Embassy)	Al Wurad Area, Umar Bin Dhafir Street, Riyadh	☎ (+966) 11 4549274 ✉ riyadh@msz.gov.pl 🌐 https://www.gov.pl/
Portugal (Embassy)	Al Woroud District Riyadh 12251	☎ (+966) 114 826 964 ✉ riade@mne.pt 🌐 https://riade.embaixadaportugal.mne.gov.pt/
Romania (Embassy)	King Fahad Quarter, Amin Al Rehany Street, Riyadh	☎ (+966) 11 263 0456 ✉ riyadh@mae.ro 🌐 http://riyadh.mae.ro/
Slovakia (Embassy)	Madain Al-Fahd District, Jeddah	✉ emb.riyadh@mzv.sk 🌐 https://www.mzv.sk/
Slovenia (Embassy)	12 Soliman Abaza street, Cairo, Egypt (also responsible for Saudi Arabia)	☎ (+20) 2 3749 9878 ✉ vka@gov.si 🌐 https://www.gov.si/
Spain (Embassy)	Diplomatic Quarter, Po Box 94347, Riyadh	☎ (+966) 11 488 06 06 ✉ emb.riad.info@maec.es 🌐 https://www.exteriores.gob.es/
Sweden (Embassy)	Diplomatic Quarter, Po Box 94382, Riyadh	☎ (+966) 11 8806 700 ✉ ambassaden.riyadh@gov.se 🌐 https://www.swedenabroad.se

8.3 Other organisations and service providers

8.3.1 Trade promotion organisations (TPOs) and agri food promotion organisations (APOs)

In country

EU MS	Address	Contact information
Belgium (Flanders) FIT (TPO)	Diplomatic Quarter Area	☎ +96611 4801760, 4803259, +966 503999646 ✉ www.flanderstrade.com
Belgium (Wallonia) AWEX / Wallonia-Brussels, (TPO)	Diplomatic Quarter Area	☎ +96611 4808611, +966 544960867 ✉ riyadh@awex-wallonia.com 🌐 www.wallonia-in-saudi-arabia.com
Cyprus Trade Service of the Ministry of Energy, Commerce and Industry (TPO)	Riyadh, Prince Faisal ibn Saad ibn Abdulrahman, Al Worood district.	☎ +966 557360065 ✉ cdemetriou@mfa.gov.cy
France Business France (TPO)	BP 94009, 11693, Riyadh.	☎ +966 11 4344159 ✉ mohamed.mourchid@businessfrance.fr
Greece Enterprise Greece / Office of Economic and Commercial Affairs (TPO)	8454 Abdullah Alsahmi St, Al Safarat, Riyadh 12523	☎ +96611 4801974-5, 4807626 ✉ grcon.ria@mfa.gr
Ireland BoardBia (APO)	Diplomatic Quarter Area	☎ +96611 551239317 ✉ Daniel.cunningham@enterprise-ireland.com 🌐 enterprise-ireland.com
Italy Italian Trade Agency (TPO)	Diplomatic Quarter Area	☎ +96611 4889762 ✉ riyadh@ice.it 🌐 www.ice.it/en/my-home/find-your-italian-partner#
Spain ICEX (TPO)	Olaya with Khurais-MIZAN TOWER-, P.O. BOX 94347 Riad 11693	☎ +966 11 464 51 25 ✉ riad@comercio.mineco.es

Central offices inside EU Member States

EU MS	Address / location	Contact information
Austria Agrarmarkt Austria Marketing (APO)	Austria	 https://www.ama.at/Home
Belgium (Flanders) FIT (TPO)	Belgium	 michele.surinx@fitagency.be  www.flandersinvestmentandtrade.com
Belgium (Flanders) Flanders' Agricultural Marketing Board (APO)	Koning Albert II-laan 35 box 50 - 1030 Brussels Belgium	 +32 491861700  gert.vancausenbroeck@vlam.be ; export@vlam.be  https://www.vlaanderen.be/vlam/
Belgium (Wallonia) AWEX / Wallonia-Brussels, (TPO)	Place Saintelette 2, Brussels, Belgium	 agrifood@awex.be  http://wallonia.be/fr/investir
Belgium (Brussels) (TPO)	Belgium	 https://hub.brussels/en/
Bulgaria Bulgarian Small and Medium Enterprises Promotion Agency (TPO)	Bulgaria	 https://www.sme.government.bg/en/
Cyprus Trade Service of the Ministry of Energy, Commerce and Industry (TPO)	6, Andreas Araouzos Street, 1421, Nicosia, Cyprus	 00357 22867268  ts@meci.gov.cy  http://www.mcit.gov.cy/mcit/mcit.nsf/index_en/index_en
France Business France	77 Boulevard Saint- Jacques, 75014 Paris, France	 agroalimentaire@businessfrance.fr  https://www.businessfrance.fr/
France SOPEXA (APO)	France	 (+33) 01 55 37 50 00  mybusiness@sopexa.com
Estonia Enterprise Estonia (TPO)	Estonia	 (+372)6279421  info@eas.ee  https://www.eas.ee/?lang=en
Germany Federation of German Food and Drink (APO)	Germany	 (+49) 30 200786-157  bve@bve-online.de  https://www.bve-online.de/english
Greece Enterprise Greece / Office of Economic and Commercial Affairs (TPO) <i>Contact : Antonis Gravanis,</i>	109 Vasilisis Sophias Avenue, 115 21 Athens, Greece	 +30 210 335 5779 /+30 210 3355 729  v.kyrkou@eg.gov.gr ; a.gravanis@eg.gov.gr  https://www.enterprisegreece.gov.gr/en/

EU MS	Address / location	Contact information
Hungary Hungarian Export Promotion Agency (TPO)	Hungary	☎ +36 1 922 2600 ✉ info@hepa.hu 🌐 https://hepa.hu/en
Ireland Enterprise Ireland (TPO)	Ireland	🌐 https://www.enterprise-ireland.com/en/
Ireland BoardBia (APO)	Ireland	🌐 https://www.bordbia.ie/
Italy Italian Trade Agency (TPO)	Via Liszt 21, Rome, Italy	✉ segreteria.marketing@ice.it 🌐 https://www.ice.it/en/
Lithuania Enterprise Lithuania (TPO)	Lithuania	🌐 https://www.versli Lietuva.lt/en/
Malta Trade Malta (TPO)	Malta	🌐 https://www.trademalta.org/
Netherlands Netherlands Enterprise Agency (TPO)	Netherlands	🌐 https://english.rvo.nl/
Portugal Portuguese Trade & Investment Agency – AICEP (TPO)	Portugal	🌐 https://www.portugalglobal.pt/EN/Pages/Index.aspx
Slovenia Spirit Slovenia (TPO)	Slovenia	✉ sonja.demsar@spiritslovenia.si ; info@spiritslovenia.si 🌐 https://www.sloveniabusines.eu/
Spain FIAB (APO/TPO) Contact : Veronica Puente	Spain	☎ +34 91 411 72 11 ✉ internacionalizacion@fiab.es v.puente@fiab.es
Spain ICEX	Paseo de la Castellana, 278 - 28046 Madrid, Spain	✉ maria.naranjo@icex.es 🌐 https://www.icex.es/icex/es/index.html

8.3.2 Other service providers

Service provider	Address	Contact information
SERVICES FOR AUSTRIAN COMPANIES		
Advantage Austria Riyadh	Kingdom Tower 23 rd Floor, Olaya District, Arouba Road, Riyadh	☎ +966 112 11 01 11 ✉ Riyadh@advantageaustria.org 🌐 https://www.advantageaustria.org/sa
SERVICES FOR BELGIAN COMPANIES		
Arab-Belgium – Luxembourg chamber of commerce	60 Rue Mignot Delstanche, Brussels	☎ + 32 2 344 82 04 ✉ info@ablcc.org 🌐 https://www.ablcc.org/
SERVICES FOR BULGARIAN COMPANIES		
Bulgarian Chamber of Commerce & Industry	17, Adriana Budevskia Str. Sofia 1463, Bulgaria	☎ (+359 2) 8117 400; 987 26 31

Service provider	Address	Contact information
		✉ bcci@bccci.bg
SERVICES FOR CROATIAN COMPANIES		
Croatian Chamber of Economy	Rooseveltovej trg 2, 10000 Zagreb, Croatia	✉ investicije@hgk.hr ; hgk@hgk.hr 🌐 www.investincroatia.hr
SERVICES FOR CZECH COMPANIES		
Czech – Saudi Business Forum	Verdunska 819/37 Praha (Prague) 6	☎ +420 222 930 597 ✉ info@shobokshi.cz 🌐 http://www.czech-saudi-forum.cz/
SERVICES FOR CYPRIOT COMPANIES		
Cyprus Chamber of Commerce and Industry	38, Grivas Dhigenis Ave. & 3, Deligiorgis Str., P.O.Box 21455, 1509 Nicosia	☎ +357 22889800 ✉ chamber@ccci.org.cy
SERVICES FOR DANISH COMPANIES		
The Danish trade council in Saudi Arabia	Main Road One, Diplomatic Quarter, Riyadh	☎ +966 11 488 0101 ✉ ruhamb@um.dk 🌐 https://saudiarabien.um.dk/
SERVICES FOR DUTCH COMPANIES		
Holland-Gulf chamber of commerce	1001 EA, Amsterdam	☎ +31 20 893 2568 ✉ info@hgcoc.com 🌐 http://www.hgcoc.com/
SERVICES FOR ESTONIAN COMPANIES		
Estonian Chamber of Commerce & Industry	Toom-Kooli 17, 10130 Tallinn	☎ +372 604 0060 ✉ koda@koda.ee
SERVICES FOR FRENCH COMPANIES		
Saudi-French Business council	King Khalid Road, Riyadh	✉ info@gaft.gov.sa 🌐 https://gaft.gov.sa/
SERVICES FOR GERMAN COMPANIES		
German – Saudi chamber of commerce	Pure, Block B, 1 st floor, Takhassusi Branch Road, Riyadh	☎ +966 11 439 0710 ✉ rohte@ahk-arabia.com 🌐 https://saudiarabien.ahk.de/
SERVICES FOR ITALIAN COMPANIES		
Italian – Saudi Business council	Monte Di Pietra, 19, Milan	✉ Contact through website 🌐 https://italianbusinessgroup.net/
SERVICES FOR LATVIAN COMPANIES		
Latvian Chamber of commerce and industry	35 Krisjana Valdemara str., Riga, LV-1010, Latvia	☎ +371 67225592 ✉ info@chamber.lv
SERVICES FOR LITHUANIAN COMPANIES		
Lithuanian Chamber of commerce and industry	Vašingtono sq. 1-63a, LT-01108 Vilnius	☎ +370 2613 102 ✉ info@chambers.lt 🌐 https://chambers.lt/en/
SERVICES FOR LUXEMBURG COMPANIES		
Arab-Belgium – Luxembourg chamber of commerce	60 Rue Mignot Delstanche, Brussels	☎ + 32 2 344 82 04 ✉ info@ablcc.org 🌐 https://www.ablcc.org/
SERVICES FOR MALTESE COMPANIES		
The Malta Chamber of Commerce, Enterprise and Industry	64, Republic Street, Valletta, Malta	☎ + 356 2203 2000 🌐 https://www.maltachamber.org.mt/

Service provider	Address	Contact information
SERVICES FOR POLISH COMPANIES		
Polish investment and trade agency	Krucza St 50, Warsaw	☎ + 48 22 334 99 99 ✉ paih24@paih.gov.pl 🌐 https://www.paih.gov.pl/
SERVICES FOR PORTUGUESE COMPANIES		
Camara de comercio (Portuguese Chamber of commerce)	Rua Das portas de Santo Antao,89	☎ + 351 213 224 050 ✉ geral@ccip.pt 🌐 https://www.ccip.pt/en/
SERVICES FOR ROMANIAN COMPANIES		
Chamber of Commerce and Industry of Romania	Address: 2, Octavian Goga Blvd, sector 3, 030982 Bucharest	☎ +40 21 3117534 ✉ narcis.pirnaeu@ccir.ro 🌐 www.ccir.ro
SERVICES FOR SLOVAK COMPANIES		
Slovak Chamber of Commerce & Industry	Gorkého 9, 81603 Bratislava, Slovakia	☎ +421 2 54433272
SERVICES FOR SLOVENIAN COMPANIES		
Chamber of Commerce and Industry of Slovenia	Dimičeva 13, SI-1504 Ljubljana	☎ +386 1 5898 000 ✉ info@gzs.si
SERVICES FOR SPANISH COMPANIES		
ASEMPEA	Velazquez 37 Madrid	☎ +34 91 420 24 27 ✉ info@asempea.com 🌐 https://www.asempea.com/
SERVICES FOR SWEDISH COMPANIES		
Sweden Chamber of Commerce	Brunnsgatan 2, 111 38 Stockholm, Sweden	☎ (+46) 8 555 100 00 🌐 https://www.chamber.se/

8.4 Calendar of trade events and exhibitions 2023

Event	Date	Recurrence	Venue	Organiser Details
March 2023				
Jeddah International Agriculture exhibition	6 TH – 8 TH	Annual	Jeddah Exhibition centre	☎ (+966) 562 737 248 ✉ agex@iconexpo.com.sa 🌐 https://agex.show/Exb2023/
May 2023				
Middle East Poultry Expo	3 rd – 5 th	Annual	Riyadh international convention centre	✉ Contact through website 🌐 https://www.mep-expo.com/
June 2023				
Saudi Food Expo	5 th – 8 th	Annual	Riyadh international convention centre	☎ (+966) 11 454 7713 ✉ sales@saudifoodexpo.com 🌐 https://www.saudifoodexpo.com/
September 2023				
The Hotel Show	10 th – 12 th	Annual	Riyadh international convention centre	✉ Contact through website 🌐 https://www.thehotelshowsaudiarabia.com/
November 2023				
Biofach Organic conference	19 th – 21 st	Annual	Riyadh international convention centre	✉ Contact through website 🌐 https://www.biofach-saudi-arabia.com/
Saudi Halal International conference	19 th -21 st	Annual	Riyadh international convention centre	☎ (+966) 9200 200 25 ✉ http://info@saudihalalexpo.com/ 🌐 https://www.saudihalalexpo.com/
Saudi Horeca	27 th -29 th	Semi annual	Riyadh international convention centre	☎ (+966) 11 455 2392 ✉ info@saudihoreca.com 🌐 https://saudihoreca.com/
February 2024				
Saudi international Marine exhibition	12 th – 14 th	Annual	Dharan expo centre	☎ (+966) 505 128 399 ✉ exhibition@cityevents.com.sa 🌐 https://en.simec-expo.com/
Gulfood	19 th -23 rd	Annual	Dubai world trade centre UAE	🌐 https://www.gulfood.com/

8.5 Database of professionals' contacts














8.5.1 List of relevant buyers, importers, and distributors

Company name	Type	Area of interest	Contact information
Abar foods	Import/Distribution	F&B	☎ (+966) 12 648 5011 ✉ info@abbarfoods.com 🌐 https://www.abbarfoods.com/
Abazeer	Import/Distribution	F&B	☎ (+966) 9200 33971 ✉ https://abazeer.com/ 🌐 https://abazeer.com/
Abdullah Al Othaim Markets	Import/Distribution	F&B	☎ (+966) 920 000 702 ✉ wecare@othaimmarkets.com 🌐 https://www.othaimmarkets.com/
Ajwa	Import/Distribution	F&B	✉ Contact through website 🌐 https://ajwa.com/
Al Faris	Import/Distribution	F&B	☎ (+966) 1 265 3443 ✉ Contact through website 🌐 http://www.alfarisfoods.com/
Al Hatab Bakeries	Import/Distribution	Baked Goods	✉ Contact through website 🌐 https://alhatab.com.sa/
Al Jameel	Import/Distribution	F&B	☎ (+966) 12 6363 455 ✉ Contact through website 🌐 http://www.aljameelfood.com/
Al Mizzan Natural	Import/ Distribution	F&B	☎ (+966) 55 525 5552 ✉ w@almizannatural.com 🌐 https://almizannatural.com/
Al Naghi	Import/ Distribution	F&B (primarily food service)	☎ (+966) 12 633 8599 ✉ ahmed_naghi@alnaghi.com 🌐 https://www.alnaghi.com/
Al Rabie	Import/Distribution	F&B	☎ (+966) 11 498 0000 ✉ social@alrabie.com 🌐 https://www.alrabie.com/
Al Rasheed	Import/Distribution	F&B	☎ (+966) 472 7741 ✉ pinoy@rasheedsfood.com 🌐 http://rasheedfoods.com/
Al Tawafuq	Import/ Distribution	F&B	☎ (+966) 050 460 7909 ✉ Contact through website 🌐 https://altawafuq-alshamel.business.site/
Almanar	Import/Distribution	F&B	☎ (+966) 5000 84 598 ✉ Contact through website 🌐 http://almnarco.com/
Almunagem Foods	Import/Distribution	F&B (retail)	☎ (+966) 590363650 ✉ Contact through website 🌐 https://almunajemfoods.com/
Alomrania SA	Import/ Distribution	F&B	☎ (+966) 013 838 6665 ✉ cs@alomrania.com.sa 🌐 https://www.alomrania.com.sa
Alyasra foods	Import/ Distribution	F&B	☎ (+966) 1121 444 84 ✉ Contact through website 🌐 https://www.alyasrafoods.com/
Anaam Group	Import/Distribution	F&B	☎ (+966) 126 357 007 ✉ info@anaamgroup.com

Company name	Type	Area of interest	Contact information
			https://anaamgroup.com/
Arabian Food Company	Import/Distribution	F&B	☎ (+966) 540 536 723 ✉ info@arabianfoodcorp.com 🌐 https://www.arabianfoodcorp.com/
Arcoma	Import/Distribution	F&B	☎ (+966) 12 6444 212 ✉ Contact through website 🌐 https://www.arcoma.com/
Arste	Import/Distribution	F&B	☎ (+966) 505 375 870 ✉ babar@artsefi.com 🌐 https://www.arstefi.com/
Astra Grains	Import/ Distribution	F&B	☎ (+966) 11 477 1488 ✉ Astra@astra.com 🌐 https://www.astra.com.sa/
Baharawi	Import/ Distribution	F&B (food service)	☎ (+971) 6655533 ✉ bahrawi@bahrawi.com 🌐 http://www.bahrawi.com/
Basamh Trading	Import/ Distribution	F&B (food service)	☎ (+971) 12 660 6668 ✉ info@basamh.com
Bevarabia	Import/ Distribution	F&B	☎ (+971) 0 434 00113 ✉ contact@bevarabia.sa.com 🌐 https://uae.bevarabia.com/
Bin Dawood	Import/Distribution	F&B (retail)	☎ (+966) 800 244 2226 ✉ https://bindawood.com/web/# 🌐 https://bindawood.com/
Binzagr	Import/Distribution	F&B (retail and food service)	☎ (+966) 12 216 8000 ✉ info@binzagr.com.sa 🌐 https://www.binzagr.com.sa/
Carrefour KSA	Import/ Distribution	F&B	☎ (+966) 800 441 4446 ✉ Contact through website 🌐 https://www.carrefourksa.com/
Carrefour SA	Import	F&B	☎ (+966) 444 10 00 ✉ info@carrefourSA.com 🌐 https://www.carrefoursa.com/
Dallah	Import/Distribution	F&B	☎ (+966) 125 920 000 ✉ Prd@dallah.com 🌐 https://www.dallah.com/
Danube Company	Import/ Distribution	F&B	☎ (+966) 12 658 06 02 ✉ Info@Danube.com 🌐 http://web.danubeco.com/
Daralshai	Import/ Distribution	F&B	☎ (+966) 92 000 5661 ✉ Contact through website 🌐 https://daralshai.com.sa/
East food company	Import, storage, distribution	F&B	☎ (+966) 596 303 905 ✉ info@eastfoods.com.sa 🌐 https://www.eastfoods.com.sa/
Farm Superstore	Import/Distribution	F&B	☎ (+966) 138 535 800 ✉ info@farm.com.sa 🌐 https://www.farm.com.sa/
Fast Food Marketers	Import/ Distribution	F&B	☎ (+966) 55 400 4345 ✉ Contact through website 🌐 https://ffm.com.sa/
Food Business Trading	Import/ Distribution	F&B	☎ (+966) 546313079
Food Choice KSA	Import/ Distribution	F&B (food service in particular)	☎ (+966) 1147 380 22

Company name	Type	Area of interest	Contact information
			✉ Contact through website 🌐 https://foodchoice-ksa.com/
Food Nation	Import/Distribution	F&B (food service)	☎ (+971) 504846142 ✉ info@foodnation.com.sa 🌐 https://www.foodnation.com.sa/
Food Speciality's	Import/Distribution	F&B	☎ (+971) 4 8131 500 ✉ sales@fslfoods.com 🌐 https://foodspecialities.com/
Forsan	Import/Distribution	F&B	☎ (+966) 541 913 2222 ✉ Contact through website 🌐 https://www.forsan.com.sa/
Fsest	Import/Distribution	F&B	☎ (+966) 011 242 3438 ✉ Contact through website 🌐 https://fsest.com/
Good Lively Hood LTD	Import/ Distribution	F&B (retail)	☎ (+966) 13 859 6833 ✉ info@goodlivelyhood.net 🌐 http://www.goodlivelyhood.net/
Goody	Import/Distribution	F&B	☎ (+966) 12 667 6607 ✉ info@goody.com.sa 🌐 http://goody.com.sa/
Gulf Central	Import/Distribution	F&B	☎ (+966) 92 000 8464 ✉ info@gulfcentral.com.sa 🌐 https://www.gulfcentral.com.sa/
Gulf West	Import/Distribution	F&B (food service)	☎ (+966) 12 6053 416 ✉ info@gulfwest.com.sa 🌐 http://www.gulfwest.com.sa/
Hermas	Import	F&B	☎ (+966) 12 288 2131 ✉ Info@hermas.com.sa 🌐 http://hermas.com.sa/
House of caterer	Import/ Distribution	F&B	☎ (+966) 114 7400 22 ✉ Info@catererhouse.com 🌐 https://catererhouse.com/
Huramat	Import/Distribution	F&B	☎ (+90) 31 22 57 46 00 ✉ info@hurmatat.com 🌐 https://www.hurmatat.com/
Jabbar Al Bishi Nasser	Import/ Distribution	Fruit and vegetables	☎ (+966) 126938813 ✉ info@albishi.com.sa 🌐 http://albishi.com.sa/en.html
Jotest	Import/ Distribution	F&B	☎ (+966) 567 108036 ✉ wassim@jotest.com 🌐 http://www.jotest.com/
Kabil Holdings	Import/Distribution	F&B	☎ (+966) 12 66 86 000 ✉ info@kabli.com 🌐 https://www.kabli.com.sa/
Looz Jooz	Import/Distribution	F&B	✉ Contact through website 🌐 https://loozjooz.com/
Lulu Hypermarkets	Import/ Distribution	F&B	☎ (+966) 800 1000 330 ✉ ksa@luluhypermarket.com 🌐 https://www.luluhypermarket.com/
Madina	Import/ Distribution	F&B	☎ (+966) 114 787 222 ✉ business@madina.com 🌐 http://www.madina-co.com/
Manuel Supermarket	Import/ Distribution	F&B	✉ Contact through website 🌐 https://www.manuelsupermarket.com/

Company name	Type	Area of interest	Contact information
Mayar	Import/ Distribution	F&B	✉ info@mayar.com 🌐 https://www.mayar.com/
Mowfoor	Import/Distribution	F&B	☎ (+966) 0555 240 838 ✉ Contact through website 🌐 http://mowfoor.com/
Mujally	Import/ Distribution	F&B	☎ (+966) 6474 236 ✉ Contact through website 🌐 http://www.mbamujally.com/
Nahla Al Wadi Trading Co	Import	F&B	☎ (+966) 9200 26007 ✉ Info@nahlaalwadi.com 🌐 https://nahlaalwadi.com/
Neraan	Import/ Distribution	F&B	☎ (+966) 12 657 4149 ✉ info@neraan.com 🌐 https://www.neeraan.com/
Nestle Mena	Import	Chocolate-Sugar confectionary	✉ Contact through website 🌐 https://www.nestle-mena.com/
Okam	Distribution	F&B	☎ (+966) 12 668 5353 ✉ info@okam.com 🌐 http://www.okam.com/
Orient provision and trading	Import/ Distribution	F&B	☎ (+966) 12 669 0999 ✉ optcl@optcl.net 🌐 http://www.optcl.net/
Panda Retail	Import/ Distribution	F&B	☎ (+966) 920 027 707 ✉ customercare@panda.com.sa 🌐 https://panda.com.sa/
Paul Arabia	Import/Distribution	F&B	✉ Contact through website 🌐 http://paularabia.com/
Premier food SME	Import/ Distribution	F&B	☎ (+966) 12 670 0505 ✉ info@premierfoodsme.com 🌐 https://premierfoodsme.com/
Proland	Import/Distribution	F&B	✉ Contact through website 🌐 https://proland.sa/
Quality Trading Company	Import/ Distribution	F&B	☎ (+966) 910 010 733 ✉ customercare@qtcarabia.com 🌐 https://www.qtcarabia.com/
Ramsons.co	Import	F&B	☎ (+966) 12 63 77 620 ✉ Contact through website 🌐 https://ramsons.co/
Ranafood	Import/ Distribution	F&B	☎ (+966) 2 637 5212 ✉ Info@ranafood.com 🌐 https://www.ranafood.com/
Sabeel Food	Import/Distribution	F&B	☎ (+966) 9200 10737 ✉ info@sabeelfood.com 🌐 http://sabeelfood.com/
Shahini	Import/Distribution	F&B	☎ (+966) 12 651 6666 ✉ info@shahini.com 🌐 http://www.shahini.com/
Sitaf	Import/ Distribution	F&B	☎ (+966) 55 829 4166 ✉ Contact through website 🌐 https://www.sitaffood.com/
Starbucks KSA	Import/Distribution	F&B	✉ Contact through website 🌐 https://www.starbucks.sa/
Sunbulah Group	Import/ Distribution	F&B	☎ (+966) 12 614 3938 ✉ Contact through website

Company name	Type	Area of interest	Contact information
			 https://www.sunbulahgroup.com/
Tamimi Markets	Import/Distribution	F&B (notably fruit and vegetables)	 (+966) 800 30 300 10  https://tamimimarkets.com/Contact  https://tamimimarkets.com/
United Group	Import/Distribution	F&B	 (+966) 13 814 7444  contact@unitedgroup.com.sa  https://www.unitedgroup.com.sa/
Wafrah	Import/ Distribution	F&B	 (+966) 11 4023 456  Contact through website  https://www.wafrah.sa/
Waha fruits	Import/ Distribution	Fruit and vegetables	 (+966) 114957814  info@wahafruit.com  https://wahafruit.com/

GETTING IN TOUCH WITH THE EU

In person

All over the European Union there are hundreds of Europe Direct information centres. You can find the address of the centre nearest you at: https://europa.eu/european-union/contact_en

On the phone or by email

Europe Direct is a service that answers your questions about the European Union. You can contact this service:

- by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),
- at the following standard number: +32 22999696, or
- by email via: https://europa.eu/european-union/contact_en

FINDING INFORMATION ABOUT THE EU

Online

Information about the European Union in all the official languages of the EU is available on the Europa website at: https://europa.eu/european-union/index_en

EU publications

You can download or order free and priced EU publications from: <https://op.europa.eu/en/publications>. Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see https://europa.eu/european-union/contact_en).

EU law and related documents

For access to legal information from the EU, including all EU law since 1952 in all the official language versions, go to EUR-Lex at: <http://eur-lex.europa.eu>

Open data from the EU

The EU Open Data Portal (<http://data.europa.eu/euodp/en>) provides access to datasets from the EU. Data can be downloaded and reused for free, for both commercial and non-commercial purposes.

